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BEFORE THE  
ILLINOIS COMMERCE COMMISSION

IN THE MATTER OF: )  
 )  
PAMELA VARNER )  
 )  
vs. ) No. 03-0481  
 )  
PEOPLES GAS, LIGHT AND COKE )  
COMPANY )  
 )  
Complaint as to billing in )  
Chicago, Illinois. )

Chicago, Illinois  
April 29, 2004

Met pursuant to notice at 9:30 a.m.  
  
BEFORE:  
  
MR. IAN BRODSKY, Administrative Law Judge

1 APPEARANCES:

2 McGUIREWOODS, LLP, by  
3 MR. BRETT BEATTIE  
4 77 West Wacker Drive, Suite 4400  
5 Chicago, Illinois 60601  
6 Appearing for Peoples Gas, Light &  
7 Coke Company;

8  
9  
10 MS. PAMELA VARNER  
11 7701 South Oglesby Avenue  
12 Chicago, Illinois 60649  
13 Appearing pro se.

14  
15  
16 ALSO PRESENT:

17 Mr. Brian Schmoldt  
18 Ms. Georgette Varner  
19  
20  
21

22 Julia C. White, CSR  
License No. 084-004544

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14 E X H I B I T S

15 Number For Identification In Evidence

16 Complainant's  
17 Exhibit F 156

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20 Peoples Gas  
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22 3A-B, 6A-F,  
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1 JUDGE BRODSKY: Pursuant to the authority of the  
2 Illinois Commerce Commission, I now call Docket  
3 03-0481. This is Pamela Varner versus the Peoples  
4 Gas, Light and Coke Company; and it's a complaint as  
5 to billing in Chicago, Illinois.  
6 May I have the appearances for the record, please.

7 MS. PAMELA VARNER: Yes. My name is Pamela  
8 Varner at 7701 South Oglesby, Chicago, 60649,  
9 773-580-3387.

10 MR. BEATTIE: And appearing on behalf of the  
11 Peoples Gas, Light and Coke Company, Brett Beattie  
12 from McGuireWoods, LLP, 77 West Wacker Drive, Suite  
13 4400, Chicago, Illinois 60601.

14 And with me today to testify on  
15 Peoples Gas' behalf is Brian Schmoldt.

16 MR. BRIAN SCHMOLDT: 130 East Randolph,  
17 Chicago, 60601.

18 JUDGE BRODSKY: Can spell your name for the  
19 record, please.

20 MR. BRIAN SCHMOLDT: My last name is spelled  
21 S-c-h-m-o-l-d-t.

22 JUDGE BRODSKY: Thank you.

1           MS. PAMELA VARNER:   Excuse me, your Honor.

2       Also to testify, my daughter, Georgette Varner, which

3       she tends to have a lot of knowledge of the records

4       that we've been through together.

5                       So today I would like for her to

6       testify on my behalf.

7           JUDGE BRODSKY:   Just spell your name for the

8       record.

9           MS. GEORGETTE VARNER:   Georgette Varner,

10       G-e-o-r-g-e-t-t-e, Varner, V-a-r-n-e-r.

11           JUDGE BRODSKY:   Okay.   At this point, there had

12       been a motion that was filed a few days ago dealing

13       with a continuance for today.   It appears that the

14       parties are all present.   There had -- well, is there

15       anything further on that matter?

16           MR. BEATTIE:   Nothing, your Honor.

17           JUDGE BRODSKY:   Okay.   So that being the case,

18       that motion is moot at this point; and we will

19       proceed.

20                       Ms. Varner, are you ready to proceed

21       with your case today?

22           MS. PAMELA VARNER:   Yes, I am, sir.

1 JUDGE BRODSKY: Okay. So what I'm going to ask  
2 you to do first is to make an opening statement  
3 summarizing just the issues that you're going to  
4 cover -- not getting into the arguments.

5 Please keep it brief. And then when  
6 you're done with it, please stop.

7 MS. PAMELA VARNER: Okay.

8 MR. BEATTIE: Your Honor, I would request that  
9 Peoples Gas take leave to also make an opening  
10 statement in this matter. It will be brief, your  
11 Honor.

12 JUDGE BRODSKY: That would not precede the  
13 complainant's opening statement?

14 MR. BEATTIE: No. Right. I'm not asking to.

15 JUDGE BRODSKY: Ms. Varner, whenever you're  
16 ready.

17 OPENING STATEMENT

18 BY

19 MS. PAMELA VARNER:

20 Okay. My complaint is based on the different  
21 accounts that I had. I do believe at this time that  
22 Peoples Gas billed me twice for the 2101 West 54th

1 Place, which at this time I tried to correct it with  
2 them and with no avail; and that's -- that is my  
3 complaint. I do believe that I've been billed twice.

4 JUDGE BRODSKY: Okay. The period in question?

5 MS. PAMELA VARNER: The period in question is  
6 from December 1999 through -- well, they did take  
7 that off -- through April of 2000.

8 JUDGE BRODSKY: Okay. And so that's the entire  
9 period there was an issue, and they had some  
10 corrections?

11 MS. PAMELA VARNER: Yes. They actually billed  
12 me from -- they actually billed through July of 2000.  
13 However. Ms. Patricelli (phonetic) credited some  
14 amounts for May, June and July.

15 So it still remains in the issue from  
16 1999 through April of 2000.

17 JUDGE BRODSKY: Okay. What is the amount that  
18 you're disputing?

19 MS. PAMELA VARNER: I'm disputing \$1200. But  
20 from what I could gather last night, with the amount  
21 of late fees, it accumulated to \$1300.

22 JUDGE BRODSKY: Are those exact amounts based

1 on the grounded amounts?

2 MS. PAMELA VARNER: Well, I'm -- I'm actually  
3 looking for a bill that they have of \$1,315.56, which  
4 is the last -- this is the last statement that I've  
5 received from Peoples Gas.

6 If they did put any other fees on  
7 previously to -- of me paying my account, which is  
8 the 7701 South Oglesby, I'm not aware; and I could  
9 not find anything in the records.

10 JUDGE BRODSKY: Okay. Is that the only issue  
11 that you're contesting today?

12 MS. PAMELA VARNER: Yes, it is.

13 JUDGE BRODSKY: Okay. Do you have any other  
14 comments for your opening?

15 MS. PAMELA VARNER: One of the comments that I  
16 have for my opening, Judge, is at the time we had the  
17 discovery hearing, I requested certain information  
18 from the attorneys for Peoples Gas.

19 However, there's one key information  
20 that I did not receive that I requested; and I do  
21 believe that it was very helpful in my case, but they  
22 failed to give me information on one of the accounts



1     that I requested.

2             JUDGE BRODSKY:   Which account?

3             MS. PAMELA VARNER:   The account that I  
4     requested is -- is for the 7701 South Oglesby,  
5     Account No. 61072900906.

6             JUDGE BRODSKY:   Okay.   That sounds like the  
7     issue that was dealt with at the last status hearing,  
8     and -- so the ruling had been made at that time.  
9     We're not going to revisit it at this point.

10             At this point, are you -- Mr. Beattie,  
11     are you making your opening statement now; or are you  
12     reserving it for your case in chief?

13             MR. BEATTIE:   I would like to make it now, your  
14     Honor.

15             JUDGE BRODSKY:   Please proceed.

16                     OPENING STATEMENT

17                     BY

18                     MR. BEATTIE:

19             Basically, my opening statement won't diverge  
20     too much from Ms. Varner's.   The dispute is about the  
21     period between December of 1999 and April 2000 on the  
22     West 54th account.

1                   Ms. Varner's question is whether this  
2     amount was transferred twice to the Oglesby address.  
3     We will -- the evidence today will show that it was  
4     transferred once and one time only, and that's  
5     basically the scope of the evidence and the scope of  
6     the case.

7                   I have nothing further to say on that  
8     matter.

9                   JUDGE BRODSKY:   Okay.   Ms. Varner, are you  
10    ready to proceed with your case in chief?

11                  MS. PAMELA VARNER:   Yes, I am, your Honor.

12                  JUDGE BRODSKY:   Okay.   Please proceed at this  
13    time.

14                  MS. PAMELA VARNER:   Okay.   Your Honor, I  
15    have -- I have this information that I would -- I  
16    would say is my Exhibit B.

17                          Peoples Gas --

18                  JUDGE BRODSKY:   Let me interrupt you for just a  
19    second.

20                  MS. PAMELA VARNER:   Yes, sir.

21                  JUDGE BRODSKY:   It's your plan today to offer  
22    your own testimony and the testimony of your

1 daughter?

2 MS. PAMELA VARNER: Yes, sir.

3 JUDGE BRODSKY: Okay. So let me swear you in  
4 at this time.

5 (Witness sworn.)

6 PAMELA VARNER,  
7 called as a witness herein, having been first duly  
8 sworn, was examined and testified as follows:

9 JUDGE BRODSKY: Ms. Varner, you may proceed.  
10 Thank you.

11 DIRECT TESTIMONY

12 BY

13 MS. PAMELA VARNER:

14 To regards to the meter reading -- according to  
15 Peoples Gas, the meter reading took place on 7/5/02.  
16 There was also a meter reading on 5/21/03 -- actual  
17 reads.

18 MR. BEATTIE: Objection, your Honor.  
19 Foundation for this -- for these statements.

20 Where is she getting this evidence  
21 that they read the meter on those dates?

22 MS. PAMELA VARNER: Your Honor, I'm getting

1     these from -- the information that was presented to  
2     me from Peoples Gas.

3                     Your Honor, if you will take a look at  
4     the first line, they have a bill date of 5/21/03 with  
5     a reading date of 7/17/2000; and they actually had  
6     that as an actual reading of this property.

7             JUDGE BRODSKY:   Okay.   So what you're showing  
8     me is something that you've marked Exhibit B;  
9     correct?

10            MS. PAMELA VARNER:   Yes, sir.

11            JUDGE BRODSKY:   And what is Exhibit B?

12            MS. PAMELA VARNER:   I'm looking at the printout  
13     from the Peoples Gas as the meter reading for --

14            MS. GEORGETTE VARNER:   For the address --

15            JUDGE BRODSKY:   All right.

16            MS. PAMELA VARNER:   For the address of 2101  
17     West 54th Place.

18            JUDGE BRODSKY:   Let me interrupt.

19                     At this point, you cannot get involved  
20     unless you're testifying as a witness.

21            MS. PAMELA VARNER:   Okay.

22            JUDGE BRODSKY:   So -- all right.   So

1 Ms. Varner, say again what this was.

2 MS. PAMELA VARNER: Okay. This is the meter  
3 reading for 2101 West 54th Place. It is my content,  
4 your Honor, that Peoples Gas is showing a bill date  
5 of 5/21/03 for an actual reading that took place on  
6 7/17/2000. There is another -- if we're looking on  
7 the other line, they have a bill date of 7/5/02 with  
8 an actual reading that also took place on 7/17/2000;  
9 and it is my question to Peoples Gas, how can there  
10 be an actual reading -- or why would there be an  
11 actual reading if at this time there was a fire under  
12 property -- 2000 -- May of 2000, which was demolished  
13 by the City of Chicago -- December of 2000.

14 So that this is my exhibit here, and I  
15 do believe that for some reason Peoples Gas went out  
16 there, read the meter and just went ahead and put  
17 some amounts with the property that was not even in  
18 existence.

19 MR. BEATTIE: Objection, your Honor. It  
20 assumes facts not admitted into evidence.

21 JUDGE BRODSKY: Sustained.

22 MS. PAMELA VARNER: What was that -- admitted

1       into evidence? I'm sorry, your Honor.

2               JUDGE BRODSKY: He stated that you were

3       assuming a fact that was not in evidence, and that

4       objection is sustained.

5               MS. PAMELA VARNER: Okay. Should I proceed,

6       your Honor?

7               JUDGE BRODSKY: Yes, please.

8               MS. PAMELA VARNER: Okay. Also, on the

9       transfer history for the same address, 2101 West 54th

10      Place --

11              MR. BEATTIE: Objection, your Honor. This

12      exhibit needs to be shown to counsel if she's going

13      to talk about numbers off of it.

14              JUDGE BRODSKY: Is it the -- okay. All right.

15              MS. PAMELA VARNER: This is the --

16              JUDGE BRODSKY: So you now have a copy of it;

17      correct?

18              MS. PAMELA VARNER: I apologize.

19              MR. BEATTIE: Yes, I do. Thank you, your

20      Honor.

21              JUDGE BRODSKY: All right.

22              MR. BEATTIE: I have one page, at least.

1 MS. PAMELA VARNER: On the transfer history for  
2 2101 West 54th Place.

3 On 5/30/2000, the account had a zero  
4 balance. On 5/31/2000 -- and it was rebilled on  
5 8/29/02, and that was -- that is reflecting the first  
6 bill that I received from Peoples Gas.

7 MR. BEATTIE: Objection, your Honor. This is  
8 all conclusory. She can testify to -- to what  
9 this -- to what this document actually says, but she  
10 can't make conclusions without further testimony as  
11 to -- as to what the document means.

12 JUDGE BRODSKY: Noted, but I'm going to allow  
13 her to proceed.

14 MS. PAMELA VARNER: It is my position, your  
15 Honor, that there was some -- if on 5/30/2000, there  
16 was a zero amount on the history of this account --  
17 and Peoples Gas did not start to rebill again until  
18 7/5/02, which I did say again that's when I do  
19 have -- or they're reflected in the initial bill that  
20 I received. That is on the -- the history. Also, on  
21 my Exhibit D --

22 JUDGE BRODSKY: B is the first sheet that you

1 distributed -- or the packet you just --

2 MS. PAMELA VARNER: The packets are just --

3 MR. BRIAN SCHMOLDT: D.

4 MS. PAMELA VARNER: D, as in dog.

5 JUDGE BRODSKY: Okay. This is for -- a

6 transcript for the 7701 South Oglesby on Account

7 6500001264011.

8 Peoples Gas is also reflecting on this

9 account -- your Honor, if you will look at the -- the

10 page 2 of 2 between 6/29/2000 and 7/17/2000.

11 \$1,381.61 balance was removed from this account.

12 MR. BEATTIE: I've got to object to this, your

13 Honor. There's a -- that isn't what this sheet

14 shows. It misstates -- it misstates the evidence.

15 JUDGE BRODSKY: Ms. Varner, where are you

16 referring to?

17 MS. PAMELA VARNER: I am referring to -- on

18 page 2 -- 2 of 2, your Honor.

19 On 8/17/2000 (sic), they had a

20 transfer from 54th Place.

21 MR. BEATTIE: Objection, your Honor. Assumes

22 facts not into evidence. There's nothing --



1 absolutely nothing other than Ms. Varner's own  
2 handwriting on this sheet that shows that this was  
3 transferred in from West 54th Place.

4 MS. PAMELA VARNER: No, it is not, Counsel.  
5 Your records indicate on 8/25/2000 that I had a zero  
6 balance.

7 MR. BEATTIE: Look, your Honor, this document  
8 that she's referring to is clearly reflected on the  
9 Oglesby account. Nowhere on this document does it  
10 reference West 54th Place except for places where  
11 Ms. Varner has written that in herself.

12 That handwriting, itself, is  
13 inadmissible.

14 MS. PAMELA VARNER: Your Honor, may I proceed?

15 This information that Counsel is  
16 saying that it's my handwriting. This is from this  
17 package that you can barely read -- that I -- that my  
18 daughter and I basically went through to find these  
19 amounts in this package. That's why this package is  
20 the way it is.

21 This information came from this  
22 package that was given to me by the attorneys of

1 Peoples Gas.

2 MR. BEATTIE: Objection. I don't know how  
3 Ms. Varner took the information from other pieces of  
4 evidence that aren't currently in evidence and used  
5 it to -- to justify her own markings on another  
6 document that's completely unrelated to the one  
7 before the Commission now.

8 JUDGE BRODSKY: All right.

9 MS. PAMELA VARNER: How would it be --

10 JUDGE BRODSKY: All right.

11 MS. PAMELA VARNER: -- not be related?

12 JUDGE BRODSKY: All right -- hey.

13 I'm going to allow Ms. Varner to  
14 explain what it is that she's attempting to explain  
15 about the exhibits she's attempting to offer.

16 With respect to additions that have  
17 been made to the -- to the document that was  
18 produced, if you want to deal with those at the  
19 appropriate time, that's fine.

20 But I'm going to allow Ms. Varner to  
21 discuss what it is that she's trying to demonstrate.

22 MS. PAMELA VARNER: Your Honor -- thank you,

1     your Honor.

2                     What I'm basically trying to  
3     demonstrate, your Honor, is that these amounts were  
4     transferred into my Oglesby account. At the time I  
5     made my account -- zero balance.

6                     Peoples Gas did not start to rebill  
7     again until -- and this is what is found on Peoples  
8     Gas. They did not start to rebill for the 54th Place  
9     account again until July 5th of 2002, which in turn,  
10    your Honor, I do have copies of -- I do have copies  
11    of the bills. The first bill that I received -- and  
12    I don't think that I made a copy. I have to  
13    apologize to the Court.

14                    The first bill that I received from  
15    Peoples Gas was back in August 29th of 2002 that they  
16    are rebilling for the 2101 West 54th Place for actual  
17    readings or amounts due that they claimed that was  
18    due from December 1999 through April of 2000.

19                    However, if would you also -- if you  
20    will look on the Exhibit C that I also had on E  
21    because it reflects the same pattern, your Honor. I  
22    had a zero amount on the 21 West 51 Place (sic). If

1     you will look at the -- that's on the bottom of the  
2     line.  If you will look at the top of the line, your  
3     Honor, the first -- 7/5/02, that's when they started  
4     to rebill again.  So there was nothing from 2000.  
5     There was no bill -- 2001.  There was nothing said.  
6     It was zero balance.  Everything was zeroed out from  
7     6/29 -- actually from 5/30/2000 I had a zero balance  
8     all the way up through 7/5/02 where I had a  
9     balance -- outstanding balance of \$1,278.42.

10                     And it is in my position, your Honor,  
11     if I had a zero balance in 2000 and I had an  
12     outstanding balance in 2002, where did that money go?  
13     Is it possible that it was transferred into the --  
14     one of the accounts that I did not receive from  
15     Peoples Gas and actually put back into the Oglesby  
16     account in 2002?

17                     This is what is reflected on Peoples  
18     Gas.  I had a zero balance for a period of two years,  
19     and -- and within the two years, or later than two  
20     years, I had an outstanding balance of the \$1,278.42.  
21     Where did it go?

22                     I would say it again.  Between

1     6/29/2000 and 7/17/2000 \$1,381.61 balance was removed  
2     from my account, 6500001264011. Balance remained at  
3     zero until 7/5/2002 with a new balance of \$1,272.42.  
4     They are showing no other transfer. It just seems  
5     to -- after two years, it just seems to -- came from  
6     somewhere, and I have no idea; and it's still -- I'm  
7     still saying that this amount -- the reason why I had  
8     a zero balance at the time is because that amount was  
9     transferred previously to my Oglesby address, which  
10    in turn was paid when I paid the -- if you will look  
11    on exhibit D, your Honor -- and this is -- on the  
12    packet, I made a payment to Peoples Gas of \$4,000 on  
13    7/26/02. There was a payment of \$4,000.

14                   However, I still don't understand if I  
15    had the zero balance; and I paid the amount that  
16    Peoples Gas always asked, and I always paid the  
17    amount. Where did the extra \$1,300.81 -- where did  
18    it appear from in a two-year period?

19                   I don't know, but I'm saying that  
20    Peoples Gas did bill me for that amount initially  
21    from 2000. It was paid and rebilled.

22                   And that's all I have right now, your

1 Honor.

2 JUDGE BRODSKY: Cross-Examination?

3 MR. BEATTIE: Yes, your Honor.

4 CROSS-EXAMINATION

5 BY

6 MR. BEATTIE:

7 Q Good morning, Ms. Varner.

8 A Good morning.

9 Q What do you do for a living right now?

10 A Right now I'm not doing anything. I'm a

11 home-care provider.

12 Q Do you baby-sit?

13 A I take care of my granddaughter.

14 Q Okay. Is that a time-consuming activity?

15 MS. PAMELA VARNER: You're -- I think that's

16 irrelevant to where you're trying to go.

17 I'm trying to dispute an amount -- not

18 exactly my time that has been consumed.

19 MR. BEATTIE: Objection, your Honor.

20 Nonresponsive answer --

21 JUDGE BRODSKY: Well --

22 MR. BEATTIE: -- unless she's raising an

1 objection.

2 JUDGE BRODSKY: To the extent that she's  
3 raising an objection, her objection is overruled; but  
4 get where you're going.

5 MR. BEATTIE: All right. I will, your Honor.

6 BY MR. BEATTIE:

7 Q So my question is a yes or no question.

8 Is it a time-consuming activity?

9 A No, it's not.

10 Q Okay. Ms. Varner, have you ever made a  
11 late payment on any of your accounts?

12 A Yes, I have.

13 Q Has your account ever been shut off?

14 A Yes, it has.

15 Q Has it been shut off more than once?

16 A Yes, it has.

17 Q On any of those occasions, was it shut off  
18 because you failed to pay your gas bill?

19 A Yes, it has.

20 Q And then with West 54th Place, between the  
21 period of December 1999 and April of 2000, you owned  
22 that property; right?

1           A     Yes, I did.

2           Q     And it's also correct that during some  
3     portion of that time period, that property was being  
4     rented out to a third party; is that right?

5           A     Between -- what period now?

6           Q     December 1999 and April of 2000.

7           A     There was no one living on the property as  
8     of February of 2000.

9           Q     Okay. Before that there was?

10          A     Yes, there was.

11          Q     And as part of that -- your agreement with  
12     that tenant, you were responsible for the gas bills;  
13     correct?

14          A     That's correct.

15          Q     Okay.

16          A     However, the gas bills on West 54th Place  
17     was never shut off.

18                     So I'm -- I'm sorry, Counsel. I'm not  
19     understanding your question.

20          Q     Well, you've already answered it. It's  
21     okay. My -- if I could have just a second here.

22                     You never requested to have your gas



1 service shut off did you -- at West 54th Place?

2 A The reason why I --

3 Q It's a yes or no question, Ms. Varner.

4 A Yes, I did.

5 Q Okay. Did you call Peoples Gas and ask

6 them?

7 A Yes, I did.

8 Q What date was that?

9 A I called when the fire took place.

10 Q In May of 2000?

11 A In May of 2000.

12 Q Okay. Now, Ms. Varner, have you ever

13 worked at Peoples Gas?

14 A No, I haven't.

15 Q Okay. Any -- outside of this proceeding,

16 have you ever had any appearance with Peoples Gas'

17 business records?

18 A No, I haven't.

19 Q For instance, have you ever worked with

20 Exhibit No. CE?

21 A No, I haven't.

22 Q Okay. During your direct testimony, you

1     made several references to a highlighted portion of  
2     this exhibit that's dated May 30th of 2000.   The  
3     second column -- it says 8:22 p.m.   Third column says  
4     maintenance.   And in handwriting it says C/R.

5                     You've referenced this many times in  
6     your direct; correct?

7             A     That's correct.

8             Q     This is your basis for believing that you  
9     had a zero balance on West 54th Place; correct?

10            A     That is, in partial; correct.

11            Q     Okay.   Do you know what this entry means?

12            A     I do believe that this entry means that on  
13     that date, I had a zero balance; and on 7/5/02, I did  
14     not.

15            Q     Okay.   What is the -- in the third column  
16     of this highlighted row, it says maintenance; doesn't  
17     it?

18            A     Now, where are we at now?

19            Q     One the same -- on the same row that we  
20     were just on.

21            A     The 5/30/2000?

22            Q     That's correct.

1           A     Maintenance?

2           Q     Right.

3           A     Zero, yes.

4           Q     Okay.  What does it mean when -- when the

5     type is maintenance?

6           A     Maintenance, in my opinion, means that

7     someone went out there and did something to the

8     meter.

9           Q     Okay.  And do you see the last entry of

10    this document, it's 11/30/1998, in the third column,

11    it says bill; doesn't it?

12          A     11/30/98?

13          Q     It's the last entry on the document.

14          A     Okay.

15          Q     That says bill; right?

16          A     That's correct.

17          Q     The next entry up from that says payment;

18    is that correct?

19          A     Are you looking at what I'm looking at

20    because I see --

21          Q     We're on Exhibit C.

22          A     Okay.  Payment.

1           Q     Okay.  If we go up to -- if we go up to the  
2     7/13/1998 -- 1999 entry -- the type --

3           A     Okay.

4           Q     -- is adjustment?

5           A     Okay.

6           Q     Do you know what that means?

7           A     Adjustment means that there was something  
8     that was probably overpaid, and they adjust their  
9     records.

10          Q     Okay.  Could it also have been -- ignoring  
11     the amounts originally entered and the amount paid.  
12     Could it also be when, you know, they undercharged  
13     you and they're making a correction for that; is that  
14     a possibility?

15          A     If they made the adjustment of an  
16     undercharge?

17          Q     Right.

18          A     I do not believe so.

19          Q     Could it go the other way?

20          A     No.

21          Q     Okay.  They would only make adjustments if  
22     you overpay?

1           A     Yes.

2           Q     Okay.  There's a series of entries at the  
3     top of this document.  It's the fifth entry going  
4     down.  It says -- it's in the fourth column.  It says  
5     AR transfer.

6                     Do you see that?

7           A     Okay.

8           Q     Do you know what that means?

9           A     That these amounts were transferred into  
10    another account.

11          Q     Okay.  Could it also mean that they were  
12    transferred out of another account into this account?

13          A     Why would it be transferred into this  
14    account if --

15          Q     I'm just asking, is it a possibility?

16          A     No it is --

17          Q     I'm just trying --

18          A     -- not a possibility.

19          Q     -- to cover your knowledge of records.

20          A     No, it is not a possibility.

21          Q     Okay.

22          A     And can I -- can I rephrase?

1 JUDGE BRODSKY: Well, you'll have another  
2 chance at it; but it's his turn.

3 MR. BEATTIE: Okay. I have no other questions,  
4 your Honor.

5 JUDGE BRODSKY: Okay. I have a couple  
6 questions for you.

7 First of all, just a procedural  
8 matter, Ms. Varner, are you intending to enter into  
9 evidence the documents that would be Exhibits B, C  
10 and D; is that your intent?

11 MS. PAMELA VARNER: Yes, your Honor.

12 JUDGE BRODSKY: Okay.

13 MR. BEATTIE: Your Honor, I'm going to object  
14 to the entries of Exhibit D to the extent that from  
15 54th Place is marked on that exhibit.

16 I also will be entering this Exhibit D  
17 as -- in my case in chief, and it's a clean copy  
18 without such handwritten markings.

19 JUDGE BRODSKY: Okay. First of all, as to that  
20 statement that -- that's noted.

21 As to the objection as to the written  
22 marking from 54th Place, I'm going to sustain the

1 objection but to the extent that she wants to -- or  
2 has offered her opinion. This ruling does not cover  
3 that.

4 MR. BEATTIE: That's true, your Honor. I don't  
5 object to her opinions.

6 JUDGE BRODSKY: And having heard nothing  
7 further on terms of the documents as taken as a  
8 group, they are, otherwise, admitted.

9 Okay. Moving on. You had made  
10 mention of the fire at 54th Place, Ms. Varner?

11 MS. PAMELA VARNER: Yes, your Honor.

12 JUDGE BRODSKY: What was the -- you had said it  
13 was in May of 2000?

14 MS. PAMELA VARNER: May 17th of 2000 --

15 JUDGE BRODSKY: Okay.

16 MS. PAMELA VARNER: -- to be exact.

17 JUDGE BRODSKY: Do you have -- in your -- I  
18 believe it was in your complaint, you referred to a  
19 copy of the fire report.

20 Do you have the fire report?

21 MS. PAMELA VARNER: I do have the fire report,  
22 your Honor; but that was submitted to -- that was

1 submitted to Peoples Gas.

2 Your Honor, I would -- while I'm  
3 looking for the Peoples Gas -- for the fire report, I  
4 would also like to state --

5 JUDGE BRODSKY: Well, I'm going to give you  
6 another round, okay?

7 You'll have a chance to do redirect  
8 testimony. So whatever comments you have will be --

9 MS. PAMELA VARNER: Well, your Honor, I didn't  
10 think I had to present this information; but -- I  
11 don't have another copy, but this was presented to  
12 the attorneys of Peoples Gas and also to Peoples Gas  
13 when I -- at the time that I got the fire, I was  
14 asked to fax that information, which I don't have the  
15 entire package at the time that I did fax because  
16 there were other issues -- other addresses that were  
17 in issue, also, with Peoples Gas.

18 But this is an activity report from my  
19 fax machine at the time that I faxed over the fire  
20 report. That's the copy of my fax machine stating  
21 that I did.

22 MR. BEATTIE: Well, I don't need to see that



1 document; but I'm just curious as to what date the  
2 fax cover sheet states it was faxed on.

3 JUDGE BRODSKY: All right. You can discuss  
4 this, if you want, on the next round. My question is  
5 just to the fire report.

6 Okay. On these -- on exhibit -- on  
7 the items marked Exhibits C and D, what is the --  
8 what is the full explanation for the column heading  
9 for Nos. 5 and 6?

10 The heading was cut off.

11 MS. PAMELA VARNER: I'm sorry, your Honor.  
12 Would you -- I was looking at my copy.

13 JUDGE BRODSKY: Okay. So -- well, it seems to  
14 be the same tables.

15 So you are on Exhibit C.

16 MS. PAMELA VARNER: Okay.

17 JUDGE BRODSKY: All right. So reading the  
18 table going across, I just want to get an  
19 understanding of what a couple of the columns are.  
20 So date, time, type, description -- those are  
21 obvious.

22 What are the next two?

1 MS. PAMELA VARNER: Amount -- amount entered  
2 and amount billed -- zero.

3 JUDGE BRODSKY: Okay. So it's the amount  
4 entered and the amount, okay.

5 All right. At this point, do you  
6 have, well, redirect?

7 So if you've got further items --

8 MS. PAMELA VARNER: Yes. I would like to  
9 redirect, basically, on some of the questions that  
10 attorneys for Peoples Gas asked about my accounts  
11 being closed.

12 REDIRECT TESTIMONY

13 BY

14 MS. PAMELA VARNER:

15 And I would like to say that I had  
16 other properties besides my home address, 7701 South  
17 Oglesby, which in turn -- what Peoples Gas do as --  
18 within a period of 30 days, if one of my accounts,  
19 especially 2101 West 54th Place, was not paid in 30  
20 days, they would transfer the amount into my  
21 residential account, which is the 7701 South Oglesby.

22 So there was a lot of transferred in.

1 And, yes, my service was shut off because of that  
2 amount. I would have bills -- and it also stated on  
3 Peoples Gas records for \$5,000, and that amount came  
4 up because they would transfer amounts in from my  
5 other address; and, yes, they would shut off my home  
6 service because of such.

7 Also, I would like to state that when  
8 I received the first bill -- the first statement,  
9 again, in -- bill date 8/29/02, I did speak to a  
10 representative over the telephone at Peoples Gas.  
11 They, again, told me that the amount that was due for  
12 the --

13 MR. BEATTIE: I'm going to object to this, your  
14 Honor. This is inadmissible hearsay -- whether it's  
15 testimony or a question.

16 JUDGE BRODSKY: The objection is --

17 MR. BEATTIE: The objection is that --

18 JUDGE BRODSKY: -- as to the whole statement?

19 MR. BEATTIE: No. As to what Peoples Gas told  
20 her on the telephone. That's inadmissible as  
21 hearsay. There's no exception for it.

22 JUDGE BRODSKY: What are you trying to

1 demonstrate with it, Ms. Varner? Are you trying to  
2 demonstrate --

3 MS. PAMELA VARNER: Your Honor, I'm trying to  
4 demonstrate, again, that Peoples Gas told me on  
5 several occasions that this amount was already  
6 transferred in.

7 MR. BEATTIE: Your Honor, this is the  
8 definition:

9 JUDGE BRODSKY: Save it.

10 MS. PAMELA VARNER: Transferred into my Oglesby  
11 account. Again -- and I spoke to Ms. Patricelli at  
12 that time. I spoke with her.

13 And if she probably was here, she --  
14 it would not be; but of course she's not here.

15 MR. BEATTIE: Well, objection. This calls for  
16 speculation.

17 JUDGE BRODSKY: Sustained.

18 MS. PAMELA VARNER: Your Honor, I was told that  
19 the bill amounts was for May, June and July of 2000.

20 JUDGE BRODSKY: All right. As to the hearsay  
21 objection, that's sustained.

22 MS. PAMELA VARNER: Okay. Your Honor, at this

1     time -- I'm really kind of hoping that Ms. Patricelli  
2     was here because she has a lot of knowledge --

3             MR. BEATTIE:   I'm going to object as to --

4             MS. PAMELA VARNER:   -- and I'm to ask the --  
5     can I --

6             JUDGE BRODSKY:   Well, let me hear the  
7     objection.

8             MR. BEATTIE:   Well, I'm going to object to this  
9     as irrelevant -- what she wishes Ms. Patricelli was  
10    here for.

11            JUDGE BRODSKY:   Sustained.   You'll have an  
12    opportunity to cross-examine the account witness for  
13    the gas company.

14                    Do you have anything further for  
15    redirect?

16            MS. PAMELA VARNER:   Yes.   I'm going -- one of  
17    my questions that I wanted to ask the account- -- the  
18    attorney for the Peoples Gas.   If at any time -- or  
19    your witness.   If at any time my service at 7701  
20    South Oglesby was interfered because of amounts that  
21    was transferred into my home address from any other  
22    properties or accounts?

1           MR. BEATTIE:  Is she posing a question to my  
2   witness, your Honor?

3           MS. PAMELA VARNER:  Yes, I -- can I, your  
4   Honor?

5           JUDGE BRODSKY:  Not at this time.

6           MS. PAMELA VARNER:  I'm asking the attorney for  
7   Peoples Gas.

8           MR. BEATTIE:  I'm not a witness, your Honor.

9           JUDGE BRODSKY:  Ms. Varner, if you're making a  
10   statement of your position, then make a statement of  
11   your position; but at this point, this is your  
12   testimony; and so you can't be asking questions of  
13   other witnesses at this time.

14          MS. PAMELA VARNER:  I understand what you're  
15   saying, your Honor; but I was only cross-examining --

16          JUDGE BRODSKY:  Okay.

17          MS. PAMELA VARNER:  -- the attorney because  
18   he --

19          JUDGE BRODSKY:  Well --

20          MS. PAMELA VARNER:  -- asked the questions, and  
21   I was basically trying to answer what he asked me.

22          JUDGE BRODSKY:  So as a statement of your

1 position, explain what it is that -- what it is that  
2 your position is going to be.

3 But in terms of posing the question to  
4 the opposing side at this point, this is redirect  
5 testimony, this is -- you are the witness, and so  
6 that's what the scope of this particular moment is.

7 So is there a position statement, or  
8 are -- or do you have anything further?

9 MS. PAMELA VARNER: Not now, your Honor --

10 JUDGE BRODSKY: Okay.

11 MS. PAMELA VARNER: -- I believe.

12 JUDGE BRODSKY: Recross?

13 MR. BEATTIE: Your Honor, I just have a couple  
14 follow-up questions; and I'll try to keep it very  
15 narrow.

16 RECROSS-EXAMINATION

17 BY

18 MR. BEATTIE:

19 Q Ms. Varner, you said during your redirect  
20 that you had all kinds of evidence that whenever  
21 Peoples -- whenever your bill was 30 days late on  
22 West 54th Place, it would get transferred into your

1 Oglesby address; is that right.

2 A That's correct.

3 Q Okay. But you haven't put anything at all  
4 into evidence that shows that; have you?

5 And it's a yes or no question.

6 JUDGE BRODSKY: Well --

7 THE WITNESS: The reason --

8 JUDGE BRODSKY: -- if she has an explanation,  
9 then she can explain.

10 THE WITNESS: The reason that I did not put any  
11 of that into evidence, your Honor, is because, at the  
12 discovery, the attorneys of Peoples Gas --

13 MR. BEATTIE: I'm going to object to this, your  
14 Honor, as to nonresponsive. She's trying to retract  
15 into the prehearing stage of this proceeding, and  
16 that's been fully covered; and it doesn't answer my  
17 question.

18 JUDGE BRODSKY: The discovery issues have been  
19 dealt with. That ruling has been made, and it's been  
20 revisited; and we're not changing it at this point.  
21 But to the extent that you have any comment as to the  
22 copies of the exhibits, that will help.



1           THE WITNESS:  I do have --

2           MR. BEATTIE:  I'll withdraw the question, your  
3 Honor.

4           JUDGE BRODSKY:  All right.  Well, that's fine.

5 BY MR. BEATTIE:

6           Q     Ms. Varner, you had made considerable  
7 mention of a fax cover sheet during -- during the  
8 judge's examination.

9           A     Yes, do I have the cover --

10          Q     Can I see that, please.

11          A     You can see the fax cover.

12                     But, however, I'm going to tell you  
13 that my dates were off on my fax machine.

14          Q     So this isn't accurate then?

15          A     Are you saying that it was not faxed to the  
16 Peoples Gas?

17          Q     I'm sorry?

18                     Well, no.  I'm saying -- are you  
19 saying that the dates aren't accurate on this?

20          A     The dates are not.

21          Q     Okay.  But this is -- you're sure that this  
22 is the fax cover sheet you used to fax --

1           A     I'm positive.

2           Q     And what date was this faxed on?

3           A     That was faxed when I spoke to

4   Ms. Patricelli in -- when I first received this

5   information from Ms. Patricelli --

6           Q     And how do you know that?

7           A     -- from this statement.

8                     Because I keep very good records.

9           Q     Okay. But this fax says February 17th on

10   it; doesn't it?

11          A     Yes, it does.

12          Q     And didn't the fire occur in May of 2000?

13          A     Yes, it did.

14          MR. BEATTIE: Okay. I have no further

15   questions.

16          THE WITNESS: But I also stated that my fax

17   machine -- the dates were off.

18          MR. BEATTIE: Fair enough.

19          THE WITNESS: Okay.

20          JUDGE BRODSKY: All right.

21          MS. PAMELA VARNER: And, your Honor, may I

22   redirect on that, also, please?

1 JUDGE BRODSKY: I'll allow it.

2 FURTHER REDIRECT TESTIMONY

3 BY

4 MS. PAMELA VARNER:

5 Also on the package that I did submit to ICC --

6 on the first -- the package that I did submit --

7 JUDGE BRODSKY: Are you speaking of the

8 attachment --

9 MS. PAMELA VARNER: The attachment. There also

10 was the attachment of the fire report because there

11 were there -- they were requested again by

12 Ms. Patricelli; and in turn, they were faxed to her,

13 also.

14 JUDGE BRODSKY: Can you show me where the fire

15 report was attached?

16 MS. PAMELA VARNER: Your Honor, I -- your

17 Honor, I removed my copy of the fire report.

18 However, I may add that the reason

19 that Ms. Patricelli in her -- in her response to my

20 fax, she --

21 MR. BEATTIE: I'm going to object to -- this

22 assumes facts not into evidence and speculation.

1                   She's asking -- she's trying to  
2   testify to what Ms. Patricelli was thinking when she  
3   mailed any particular document, which I'm not even  
4   looking at right now. She says in response to my  
5   request, Ms. Patricelli sent me this. There's no  
6   evidence of that.

7                   JUDGE BRODSKY: Sustained.

8                   MS. PAMELA VARNER: Your Honor, what I was  
9   about to say, I do have -- in response to the  
10   information that I sent to Ms. Patricelli, I have a  
11   letter from Peoples Gas where she allowed \$248.36  
12   that was transferred in from the 2101 54th Place bill  
13   used after May 7th due to the fact that there was a  
14   fire in that building May 7, 2000, based on our  
15   records that you supplied.

16                   And this, your Honor, I'm sorry I do  
17   not have a copy; but this is from Ms. -- a letter  
18   sent to me by Ms. Patricelli.

19                   MR. BEATTIE: I think I can help you out here,  
20   your Honor. I have a copy of that letter myself,  
21   which I'd be happy to distribute.

22                   JUDGE BRODSKY: Okay. So this was something

1     that was attached to the complaint.

2             MS. PAMELA VARNER:  And I also would like to  
3     redirect on the question that Counsel asked me if I  
4     had any -- any facts that there was actually any  
5     amounts transferred into my Oglesby --

6             MR. BEATTIE:  Objection.  That mischaracterizes  
7     my line of questioning.

8                     What I asked, specifically, is what  
9     evidence she had within 30 days after her failure to  
10    pay on the account that's now been transferred -- not  
11    whether they were or not.

12            JUDGE BRODSKY:  Well, I'm going to allow the  
13    transcript to speak for itself as to what -- what you  
14    asked, and I'm going to allow Ms. Varner to explain  
15    what it is that she's attempting to show.

16            MS. PAMELA VARNER:  I'm attempting to show,  
17    your Honor, that -- that there was transfer made into  
18    my Oglesby account in less than 30 days, and if your  
19    Honor would give me -- and this is also on the same  
20    information from Ms. Patricelli where she allowed a  
21    credit of \$1,545.87 that was transferred in from  
22    11355 South Forest due to the information that you

1     supplied to Peoples Gas from -- that were billed from  
2     8/6/01 through 5/3/02.

3                     So, your Honor, I do have a lot of  
4     bills going back to Counsel's questions that there  
5     were transferred -- amounts that were transferred in  
6     less than 30 days into my Oglesby account, and it  
7     is -- it's also in my position, your Honor -- if this  
8     is the case with Peoples Gas, why it took them from  
9     2000 that they claimed that I had an outstanding  
10    balance, why did I not hear about this outstanding  
11    balance until August of 2002? Why did it take two  
12    years for any information to be provided to me about  
13    an outstanding balance -- if there was an outstanding  
14    balance?

15                    JUDGE BRODSKY: All right. Let me ask you --  
16    you had attached this letter within the complaint --  
17    or the amended complaint, and apparently one was just  
18    provided to you by opposing counsel.

19                    Are you moving for the admission of  
20    one or the other of those documents?

21                    MS. PAMELA VARNER: If I'm moving for -- I'm  
22    sorry, your Honor. I did not understand.

1 JUDGE BRODSKY: For the admission into evidence  
2 of one or the other of those documents.

3 MS. PAMELA VARNER: Yes. Yes.

4 JUDGE BRODSKY: Which?

5 MS. PAMELA VARNER: I am putting into evidence  
6 the letter sent to -- from Peoples Energy.

7 JUDGE BRODSKY: Well, but at this point,  
8 we've -- there's one that was attached to the amended  
9 complaint. There's a different one that was just  
10 provided to you a minute ago.

11 So what are you moving?

12 MS. PAMELA VARNER: It is -- it is the same  
13 information that I have, your Honor.

14 MR. BEATTIE: Well, your Honor, I would -- I'm  
15 going to object to the -- to the admission of the one  
16 attached to her complaint because it looks like  
17 there's hand- -- I don't know -- I don't have it in  
18 front of me, but it looks like there's handwritten  
19 notes from Ms. Varner on that; and that's  
20 inadmissible hearsay whereas the copy that I have  
21 provided is a clean copy without such inadmissible  
22 evidence written on it.

1           MS. PAMELA VARNER: Your Honor, I would use the  
2 copy provided by Counsel.

3           MR. BEATTIE: Thank you.

4           JUDGE BRODSKY: Okay. So do you have a copy of  
5 that?

6                       Okay. Off the record for a minute.

7                               (Whereupon, a discussion was had  
8                               off the record.)

9           JUDGE BRODSKY: The letter that was under  
10 discussion to Pamela Varner from Ms. Patricelli dated  
11 June 5, 2003, will be marked as Complainant's  
12 Exhibit F and will consist of one page.

13                               (Whereupon, Complainant's  
14                               Exhibit No. F was marked for  
15                               identification.)

16           JUDGE BRODSKY: The fire report that was  
17 discussed earlier was previously marked as Exhibit A.  
18 The complainant of -- Ms. Varner, are you moving the  
19 admission then of Exhibits A and F at this time?

20           MS. PAMELA VARNER: Yes your Honor.

21           JUDGE BRODSKY: Okay. Is there any objection?

22           MR. BEATTIE: No objection, your Honor.



1           JUDGE BRODSKY:  Okay.  Those items will also be  
2  admitted.

3                               (Whereupon, Complainant's  
4                               Exhibit Nos. A and F were  
5                               admitted into evidence.)

6           JUDGE BRODSKY:  All right.  Is there any -- did  
7  you have anything further, Ms. Varner, for -- just  
8  redirect of your testimony at this time?

9           MS. PAMELA VARNER:  Yes, your Honor.

10                           In looking at the -- the package that  
11  was -- what I really was trying to find, your Honor,  
12  is Mr. Beattie requested for me to provide proof that  
13  the --

14           MR. BEATTIE:  I'm going to object to this in  
15  terms of relevance.

16           JUDGE BRODSKY:  We don't know what she's doing  
17  yet.

18           MR. BEATTIE:  Well, she's referring to things  
19  that I've requested; and I don't see how that could  
20  possibly be relevant to anything that has to do with  
21  what's happening here today.

22           JUDGE BRODSKY:  All right.  Finish your

1     thought, Ms. Varner, so that I can determine the  
2     objection.

3             MS. PAMELA VARNER:   In one of the questions  
4     that Mr. Beattie asked me if I had proof that any  
5     amounts from the other properties was transferred  
6     into my account in 30 days or less, and this is  
7     also -- your Honor, if I may -- your Honor, if you  
8     would just please bear with me for a minute.

9                     On one of my -- I cannot find if now.  
10    I will continue to look through my packages.   But I  
11    do have here on one of my properties of 5932 South  
12    Hermitage that within less than 30 days -- within  
13    less than 30 days, I paid this -- this amount, which  
14    I have a paid receipt of this property; and this  
15    amount, also, was transferred into -- on the formal  
16    complaint, the same package that was submitted to --  
17    submitted to me from Ms. Patricelli, you will see on  
18    the first page with the transfer in -- on 8/25/2000,  
19    they transferred \$330.02 in; and this is information  
20    from Ms. Patricelli.

21                    However, I had a paid receipt that I  
22    paid this amount and this is only one of many --

1           MR. BEATTIE: I'm going to object to this --

2           MS. PAMELA VARNER: -- that I paid in

3           September.

4           MR. BEATTIE: -- as to relevance.

5           MS. PAMELA VARNER: And I'm only responding to

6           the attorney's questions about if I had proof of the

7           transfer ins.

8           JUDGE BRODSKY: Well, what was the --

9           MR. BEATTIE: The objection is on relevance.

10          This dispute is about 54th Place and at 7701

11          Oglesby -- not whether if she's paid on her other

12          accounts.

13          MS. PAMELA VARNER: But excuse me, your

14          Honor --

15          JUDGE BRODSKY: Well --

16          MS. PAMELA VARNER: -- that's why I did not

17          make any attempts to bring any other transfer in.

18                        The attorney for the Peoples Gas

19          brought up the questions about proof of -- if I had

20          any proof that this account -- that there was any

21          amounts transferred into my Oglesby account in less

22          than 30 days.

1           MR. BEATTIE:  And what I would say in response,  
2   your Honor, is -- first of all, I withdrew that  
3   question; but my question was restricted to 54th  
4   Place and Oglesby.  I wasn't that broad in scope to  
5   cover her other accounts.

6                       So she's exceeding the scope of my  
7   cross.

8           JUDGE BRODSKY:  All right.  As to the  
9   relevance, that objection is overruled.  As to -- as  
10  to exceeding the scope, the objection is noted.  I'm  
11  going to allow her to include that -- that thought.

12                      Having -- well, was that a complete  
13  explanation, Ms. Varner, of your position as to the  
14  question?

15           MS. PAMELA VARNER:  Yes, your Honor.

16           JUDGE BRODSKY:  Okay.

17           MS. PAMELA VARNER:  I'm through.

18           JUDGE BRODSKY:  You're done?

19                      Okay.

20           MR. BEATTIE:  I have nothing further, your  
21  Honor.

22           JUDGE BRODSKY:  Nothing further?

1                   Okay. I'm going to take a ten-minute  
2 recess, and then Ms. Varner can call her next  
3 witness.

4                   (Whereupon, a recess was taken.)

5           JUDGE BRODSKY: Ms. Varner, are you prepared to  
6 call your next witness?

7           MS. PAMELA VARNER: Your Honor, at this time my  
8 daughter -- I'm withdrawing my daughter from the  
9 witnesses. We've been through it, and I don't really  
10 think that she can, basically, answer some of the  
11 questions that I would have. She's not on the  
12 account as was stated.

13                   And at this time, I'll withdraw my  
14 daughter from the witnesses.

15           JUDGE BRODSKY: Okay. Is there anything  
16 further for your case in chief?

17           MS. PAMELA VARNER: No, not right now.

18           JUDGE BRODSKY: Okay. So you're going to --  
19 you're resting?

20           MS. PAMELA VARNER: Yes.

21           JUDGE BRODSKY: Okay. Are you set to proceed?

22           MR. BEATTIE: We are, your Honor.

1                   Your Honor, Peoples Gas would like to  
2   call Brian Schmoldt.  
3                   (Witness sworn.)  
4                   BRIAN SCHMOLDT,  
5   called as a witness herein, having been first duly  
6   sworn, was examined and testified as follows:  
7                   DIRECT EXAMINATION  
8                   BY  
9                   MR. BEATTIE:  
10           Q     Good morning.  
11           A     Good morning.  
12           Q     Please state your name and address for the  
13   record.  
14           A     Brian Schmoldt, 130 East Randolph.  
15           Q     And how do you spell your first and last  
16   name?  
17           A     It's B-r-i-a-n, S-c-h-m-o-l-d-t.  
18           Q     Brian, what do you -- strike that.  
19                   Who's your employer?  
20           A     Peoples Gas.  
21           Q     Okay. And what do you do for Peoples Gas?  
22           A     Bill investigations.

1           Q     Okay.  And what does a -- what does a bill  
2     investigator do?

3           A     He helps customers out who complain about  
4     high bills or not getting the bill or any complaints  
5     the customer has.

6           Q     And as a Peoples Gas employee in the bill  
7     investigation department, are you familiar with the  
8     records of Peoples Gas?

9           A     Yes.

10          Q     Are you a keeper of Peoples Gas' business  
11     records?

12          A     Yes.

13          Q     Have you reviewed Ms. Varner's account  
14     prior to today?

15          A     Yes.

16          Q     Brian, I'm going to ask you a few questions  
17     regarding Ms. Varner's West 54th Place address.

18                     Are you familiar with the West 54th  
19     Place account?

20          A     Yes.

21          Q     Are you familiar with the West 54th Place  
22     account for the period of December '99 through April

1 of 2000?

2 A Yes.

3 Q Brian, I've just handed you a document.

4 Do you know what that is -- marked --  
5 premarked as Peoples Gas' Exhibit No. 1?

6 A It's a transcript of Ms. Varner's account  
7 on 54th Place.

8 Q Now, what do you mean by transcript?

9 Is that a summary of records?

10 A Yes.

11 Q And have you reviewed this transcript?

12 A Yes.

13 Q Is it a complete and accurate depiction of  
14 Ms. Varner's West 54th Place account between October  
15 1999 and December 2002?

16 A Yes.

17 Q Okay. Brian, very briefly, I'd like to  
18 discuss the various entries on this exhibit and what  
19 they -- what they represent as to Ms. Varner's West  
20 54th Place account. We'll start with the row that's  
21 been marked Row 1.

22 What are the first two columns there?



1           A     The dates of the bill.

2           Q     Okay. And that's where it says, Reading

3     Dates?

4           A     Right.

5           Q     Okay. Now, in the third -- in the third

6     column, it says, Reading Type.

7                     What does that mean?

8           A     If it is -- if it was either a company

9     reading or company estimated reading or it could have

10    even been a customer calling reading.

11          Q     Okay. What does the "A" mean?

12          A     "A" means actual, for company reading.

13          Q     Okay. Is that -- is an actual reading --

14    is that where they physically inspect the meter and

15    see what the reading means?

16          A     Yes.

17          Q     And what is an estimate?

18          A     The "E" there means it's an estimate. That

19    means we didn't go out there at that time to read the

20    reader.

21          Q     You estimated it based on --

22          A     Degree.

1           Q     All right. Does that take into account the  
2     historical consumption?

3           A     Yes.

4           Q     Okay. Now, on October 1, 1999 -- or I'm  
5     sorry -- strike that.

6                     On December 1, 1999, an actual reading  
7     was taken on this account; is that correct?

8           A     Correct.

9           Q     Okay. And can you -- how do you know?

10          A     In the retype it says "A," which means  
11     actual.

12          Q     Okay. And that's the first entry in  
13     this -- in this sequence on the account; is that  
14     correct?

15          A     Correct.

16          Q     Okay. And what was the meter reading on  
17     December 1, 1999?

18          A     4100.

19          Q     Okay. Now looking down to line 7, there  
20     was an actual reading taken on this account; correct?

21          A     Correct.

22          Q     And what date was that reading taken on?

1           A     On May 26th.

2           Q     Of what year?

3           A     Of 2000.

4           Q     Okay. And again the "A" represents an  
5 actual reading; is that correct?

6           A     Correct.

7           Q     And what did the reader read on that date?

8           A     6401.

9           Q     Okay. Now going across here, there's a  
10 column that says net bill.

11                     Could you please explain what that  
12 entry means -- it would be the --

13          A     Oh, I'm sorry.

14                     Okay. The net bill is saying that her  
15 bill, at that time, was \$86.84.

16          Q     Okay. But -- I'm sorry. Just to -- in  
17 general, what does that column represent?

18          A     How much her bill -- how much the bill was  
19 that we sent her.

20          Q     For that particular month?

21          A     For that particular month.

22          Q     Okay. And the next column over is late

1 charges.

2 Could you please explain that column  
3 for us.

4 A If a customer has a past due balance,  
5 there's a late charge assessed to it.

6 Q And are late charges assessed in accordance  
7 with the Commissions rules?

8 A Yes.

9 Q Okay. And there's previous balance column.  
10 Is that the previous balance from the  
11 month before?

12 A Yes.

13 Q Okay. And then there's a credits column.

14 What usually goes in that column?

15 A Any adjustments made to the account.

16 Q Positive?

17 A Positive by Peoples Gas.

18 Q Okay. When you say "positive," you mean to  
19 Ms. Varner's benefit?

20 A Yes.

21 Q Okay. And the total amount due, how is  
22 that calculated?

1           A     That's her previous balance plus her  
2     current bill.

3           Q     Okay. And then the due date column.  
4                     What does that represent?

5           A     The date that the bill is due.

6           Q     Okay. And then there's a payments column.  
7                     What does that stand for?

8           A     Any payments that Ms. Varner made on the  
9     account.

10          Q     Okay. And then the account balance?

11          A     It was the total amount due after the  
12     payment she made.

13          Q     Okay. On line -- on the first row in the  
14     remarks column, there's a notation there that says  
15     RFP.

16                     What does that mean?

17          A     RFP means reconnect for pay.

18          Q     Okay. Why would that notation be on the  
19     account?

20          A     It would mean that Ms. Varner's account was  
21     previously shut off and that she paid her bill to get  
22     the gas service back on.

1           Q     When the account was previously shut off,  
2     would it mean it was shut off for nonpayment of the  
3     bill?

4           A     Yes.

5           Q     Okay. Now going down the remarks column to  
6     line 15, it says -- what does the remarks column say  
7     in line 15?

8           A     That the bill was transferred to Oglesby.

9           Q     Okay. To what account number?

10          A     6500031244759.

11          Q     Okay. And was that the current account at  
12     the time the bill was transferred?

13          A     Yes.

14          Q     Okay. And do you know whether Ms. Varner's  
15     Oglesby account has been assigned more than one  
16     account number since she started service with Peoples  
17     Gas?

18          A     Yes.

19          Q     Okay. Now, Mr. Schmoldt, on line 1, in the  
20     payments column, does it show any payments for the  
21     month of December 1999?

22          A     Yes.

1           Q     How much?

2           A     \$300.

3           Q     And was there a payment made the following

4 month?

5           A     No.

6           Q     But was there an amount due?

7           A     Yes.

8           Q     And how much was that amount due?

9           A     Well, she was past due \$164; and she had a

10 previous -- a current gas bill at that time of \$212.

11 So she owed us \$381.67.

12          Q     Okay. And in line 3, which is the

13 following month; correct?

14          A     Correct.

15          Q     And did she have a bill for that month?

16          A     Yes.

17          Q     For actual gas consumed?

18          A     Yes.

19          Q     Okay. And how much was that bill?

20          A     \$483.31.

21          Q     And did she make any payments at that time?

22          A     No.

1           Q     Okay.  The following month, did Ms. Varner  
2     consume gas at West 54th Place?

3           A     Yes.

4           Q     Okay.

5           A     She had a \$293.30 gas bill.

6           Q     And did she make any payment at that time?

7           A     No.

8           Q     Did she make a payment the following month?

9           A     No.

10          Q     When was the next payment she made after  
11     December 1999?

12          A     June 5th of 2000.

13          Q     Okay.  And how much was that payment for?

14          A     \$300.

15          Q     And what did that take her account to?

16          A     It took her account down to \$1242.77.

17          Q     Was -- were there ever any other payments  
18     made on this account other than that last payment on  
19     June 5th of 2000 for \$300?

20          A     No.

21          Q     Okay.  Now, Mr. Schmoldt, I trust this  
22     exhibit is correct.  However, I'd like to review



1 Peoples Gas' actual records from the computer system  
2 with you just to back up what's on that summary of  
3 the account -- oh, one last question relating to  
4 Exhibit 1, Mr. Schmoldt.

5 Other than the transfer that occurred  
6 on October 31, 2002, were any other amounts  
7 transferred out of the West 54th Place account  
8 between October 1999 and October of 2002?

9 A No.

10 Q Okay. Mr. Schmoldt, I've handed you what's  
11 been premarked as Peoples Gas' Exhibit No. 2.

12 Could you please tell us what this  
13 exhibit is.

14 A That's a transaction history of the account  
15 at 54th Place.

16 Q What does a transaction history show?

17 A It shows any activity that was on the  
18 account -- bills, payments, any corrections, any  
19 charges.

20 Q Okay. And are you -- are you familiar with  
21 this kind of transcript?

22 A Yes.

1           Q     Okay.  Mr. Schmoldt, looking at the  
2     West 54th Place account, do you see any transfers on  
3     the account between the period of October 1999 and  
4     April of 2000?

5           A     No.

6           Q     All right.  Are you sure, Mr. Schmoldt?

7           A     Yeah.  There's no chance -- you said April  
8     of 2000?

9           Q     Okay.  When was the -- when was the first  
10    transfer on this account after October of 1999?

11          A     The transfer occurred November 22nd --  
12    November 26th of 2002.

13          Q     Okay.  And just by looking at this document  
14    here, can you tell where it was transferred to?

15          A     No.

16          Q     Okay.  And you can tell that these are  
17    transfers out can't you?

18          A     Yes.

19          Q     And how do you know that?

20          A     Basically, the amounts on the transfers,  
21    they start getting smaller; and when they start  
22    getting smaller, that means the amounts are being

1 transferred out.

2 Q Mr. Schmoldt, I'm going to hand you what's  
3 been premarked as Peoples Gas' Exhibits 3A through B.

4 Could you please tell us what this  
5 exhibit is.

6 A It's a transaction history of the account  
7 at Oglesby.

8 Q Okay. It's -- is this the same thing that  
9 Exhibit 2 is, but just for the Oglesby account?

10 A Yes.

11 Q Okay. Now, Mr. Schmoldt, is there a  
12 matching transfer on here from 11/26/02?

13 A Yes.

14 Q Okay. And do those amounts match up to  
15 what was transferred out of the West 54th Place  
16 account on 11/26/02?

17 A Yes, they do.

18 Q Okay. What does that tell you?

19 A That the bill was transferred from 54th  
20 Place to Oglesby on November 6th of 2002.

21 Q Okay. Now, Mr. Schmoldt, Ms. -- you were  
22 here for Ms. Varner's testimony, weren't you?

1           A     Yes.

2           Q     Okay.  And so did you hear her analysis of  
3     this exhibit was one where she claimed that many  
4     transfers had been made out of the West 54th Place  
5     account to the Oglesby account?

6                     Is that your understanding of her  
7     testimony?

8           A     Yes.

9           Q     Okay.  Looking at -- comparing these two  
10    documents, does that appear to be the case?

11          A     No.

12          Q     Okay.  Now, Mr. Schmoldt, I'm going to hand  
13    you what's been premarked as Peoples Gas' Exhibit 13  
14    through 16.

15                     Could you please tell us what these  
16    exhibits are -- or what these records are.

17          A     These records just show what -- what  
18    accounts were transferred into another account.

19          Q     Okay.  And what account were these -- what  
20    account do these records pertain to?

21          A     7701 South Oglesby and her current -- her  
22    current account.

1           Q     And this is Account --

2           A     6500031244759.

3           Q     Is this the same account as what is

4     portrayed in Exhibit 3A and B?

5           A     Yes.

6           Q     Okay. Now, Mr. Schmoldt, what I'm going to

7     do is go through all of the transfers into the

8     Oglesby account of 4759.

9                     And have you told us whether these

10    records, 13 through 16, explain what each -- each

11    transfer relates to -- other than the 11/26/02

12    transfers?

13                     I apologize. The exhibits are

14    somewhat out of order as far as the dates go. Let us

15    start with Exhibit 15, which relates to 4/25/2003

16    transfers.

17                     Now, do you see any transfers on the

18    on Exhibit 3A for 4/25/03?

19           A     Yes.

20           Q     Okay. Using Exhibit 3A and Exhibit 15, can

21    you tell where those transfers came from or went to?

22           A     Well, the bill was transferred out of

1 Oglesby to Account No. 6500012624011 (sic).

2 Q Okay. And then on Exhibit 13, which is  
3 May 13, 2003 -- looking at 3A, were there any  
4 transfers that occurred on this account -- on the  
5 7701 South Oglesby, Account No. 4759, for the time  
6 period of  
7 May 13, 2003?

8 A Yes.

9 Q Okay. And looking at Exhibit 13, can you  
10 tell where that transfer came from?

11 A Yeah. The bill was transferred from  
12 6500012624011 back to 6500031244759.

13 Q Okay.

14 JUDGE BRODSKY: What are the corresponding  
15 locations for those account numbers?

16 MR. BEATTIE: Oh, your Honor, Ms. Varner's --  
17 or Complainant's Exhibit -- Complainant's Exhibit D  
18 is 4011.

19 If you'll allow me, your Honor --

20 BY MR. BEATTIE:

21 Q Mr. Schmoldt, there's -- there was more  
22 than one account number for 7701 South Oglesby;

1 correct?

2 A Correct.

3 Q Looking -- if you could take a look at  
4 Complainant's Exhibit D, what account number does  
5 this pertain to?

6 A It's Oglesby -- 7701 South Oglesby, and  
7 it's Account No. 6500001264011.

8 Q And that's the account that we were just  
9 referring to; correct?

10 A Correct.

11 Q Okay. Now, was this -- was this account  
12 ever -- ever closed?

13 A Yes.

14 Q Okay. On what date?

15 A The account was finaled on June 6th of  
16 2002.

17 Q And how do you know that?

18 A Because on the record, it says order of  
19 final bill.

20 Q Now, where does it show that on the  
21 record -- on Complainant's Exhibit D?

22 A It's on the transcript -- on the date

1     6/6 of 2002. Then it says maintenance, and then it  
2     says order final bill.

3           Q     Now in your review of Ms. Varner's accounts  
4     prior to coming here today, did you notice why this  
5     account had been closed?

6           A     No, I did not.

7           MR. BEATTIE: Okay. I withdraw the question.

8           JUDGE BRODSKY: It was already answered.

9           MR. BEATTIE: Oh, I'm sorry. Oh, okay.

10    BY MR. BEATTIE:

11           Q     Now, this Account 4759 for Oglesby, which  
12     is in Exhibit 3A, is this an account that was opened  
13     after the account in Complainant's Exhibit D was  
14     closed?

15           A     Yes.

16           Q     Okay. Regardless of the reason that  
17     Complainant's account was closed, the account  
18     reflected by Complainant's Exhibit D, the account on  
19     3A was opened, and that's where the activity on  
20     Ms. Varner's account occurred; correct?

21           A     Correct.

22           Q     Okay. Now referring back to Exhibit 3A,



1       were there any transfers into that account on  
2       November 21, 2002?

3             A       Yes.

4             Q       Okay.  And do you know where those -- where  
5       that transfer came from?

6             A       It came from her previous 7701 South  
7       Oglesby address.

8             Q       Okay.  So if -- strike that.

9                       And then on November 27, 2002, there  
10       was a transfer into Ms. Varner's Oglesby address; is  
11       that correct?

12            A       Yes.

13            Q       And that's reflected on Exhibit 3A; is that  
14       correct?

15            A       That is correct.

16            Q       Okay.  And what account number did that  
17       come from?

18            A       6500030434233.

19            Q       Okay.  Is that the West 54th Place account?

20            A       No.

21            Q       What account number is the West 54th Place  
22       account?

1           A     6500019214964.

2           Q     Okay.  So the transfers that -- are there  
3     any other transfers on this account that have not  
4     been explained?

5           A     No.

6           Q     Okay.  So based on what you've just  
7     testified to, is it fair to say that there was only  
8     one transfer into -- strike that.

9                     Based on your testimony, is it fair to  
10    say that only one transfer from 2101 West 54th Place  
11    was made to the Oglesby account between October of  
12    1999 and April of 2002?

13          A     Yes.

14          Q     Okay.  Now, Mr. Schmoldt, Ms. Varner filed  
15    a -- strike that.

16                     Mr. Schmoldt, did Ms. Varner file an  
17    informal complaint in this case?

18          A     Yes, she did.

19          Q     Okay.  And did Peoples Gas attempt to work  
20    with Ms. Varner on that?

21          A     Yes, we did.

22          Q     Okay.  Mr. Schmoldt, I'm handing you what's

1     been premarked as Peoples Gas' Exhibits 6A through  
2     6F.

3                     Could you please tell us what this  
4     exhibit is.

5             A     It was a letter sent to Ms. Varner by  
6     Ms. Patricelli.

7             Q     Okay. And what's the date of this letter?

8             A     June 5, 2003.

9             Q     Okay. And was -- were there any other  
10    documents attached to this letter?

11            A     Yes, there was.

12            Q     Okay. Are those documents Exhibits 6B  
13    through 6F?

14            A     Yes.

15            Q     Okay. And what exactly is Exhibits 6B  
16    through 6F?

17            A     Basically, it's a transcript of the  
18    accounts showing balances, the bill and any payments  
19    made on the account, or any transfers or any cancels  
20    done during that time period.

21            Q     Is this the account for 7701 South Oglesby?

22            A     Yes.

1           Q     Okay.  And what period does it cover?

2           A     It covers January 12th of 2000, all the way  
3     to June 5th of 2003.

4           Q     Okay.  Mr. Schmoldt, turning to Exhibit 6C,  
5     which would be the second page of that attachment, is  
6     there an entry that shows a transferred in amount  
7     from West 54th Place?

8           A     Yes.

9           Q     Okay.  And where on this document is that  
10    entry?

11          A     It's the third entry from the bottom  
12    November 26, 2002.  \$1334.54 was transferred in.

13          Q     Okay.  And if you could take a very close  
14    look at Exhibits 6B through 6F and tell us if there  
15    are any other amounts that were transferred in from  
16    the West 54th Place account into the 7701 South  
17    Oglesby account?

18          A     No.

19          Q     Okay.  Now, Mr. Schmoldt, turning to  
20    Exhibit 6D, which is the -- there's the last entry on  
21    here shows some credits on Ms. Varner's Oglesby  
22    account; do you see that?

1           A     Yes.

2           Q     Now, what date were those credits put on  
3   Ms. Varner's account?

4           A     June 5, 2003.

5           Q     And by credits, are those amounts of monies  
6   that were given to Ms. Varner?

7           A     Yes.

8           Q     Okay. And what were those two credits?

9           A     There was a credit of \$248.36, and another  
10   credit of \$1,545.87.

11          Q     Now turning to the June 5, 2003 letter from  
12   Ms. Patricelli to Ms. Varner, which is marked as  
13   Exhibit 6A, are these credits referenced by that  
14   letter?

15          A     Yes.

16          Q     Where in the letter does it discuss these  
17   credits?

18          A     The third and fourth paragraph.

19          Q     Okay. Let's start with the third  
20   paragraph.

21                    Could you please tell us what that  
22   says.

1           A     Basically, it says, I'm going to allow  
2     \$1545.87 that was transferred into -- transferred  
3     from the 1355 (sic) South Forest due to the fact that  
4     she wasn't responsible for that bill from August 6th  
5     of 2001 through May 3rd of 2002.

6           Q     Okay. Now, the word "allow," does that  
7     mean that she's going to credit the account; or what  
8     does that mean?

9           A     Yeah, she's going to credit the account.

10          Q     And that's the credit that appears on  
11     Exhibit 6D?

12          A     Yes.

13          Q     Okay. Now the fourth paragraph, does that  
14     also say that she's going to allow \$248.36?

15          A     Right.

16          Q     And that was transferred in from West 54th  
17     Place?

18          A     Well, due to the fact that, as Ms. Varner  
19     stated, she had a fire at the premise; and we were  
20     adjusting a bill based on the records that were given  
21     to us regarding the fire.

22          Q     Okay. So did that give her credit for

1 anything that was charged to her for the period after  
2 May 7th?

3 A Correct.

4 Q Okay. And, again, that amount was \$248.36?

5 A Correct.

6 Q Okay. Looking, again, at Exhibit 16.

7 On 4/12/2003, what was Ms. Varner's  
8 balance owed?

9 A On 4/12 you're saying?

10 Q Yeah, on April 12, 2003.

11 A \$5,582.

12 Q Okay. And does this amount show any  
13 payments received subsequently?

14 A Prior to that, no. After that, yes.

15 Q Okay. What payments were made after  
16 that -- after April 12, 2003?

17 A On April 29th of 2003, there was a \$1500  
18 payment; and on May 9th of 2003, there was another  
19 \$1500 payment.

20 Q Okay. Now, is it possible that one of  
21 those payments -- one of those payments was not --  
22 was ultimately taken off from Ms. Varner's account?

1           A     Yes.

2           Q     Mr. Schmoldt, I'm showing you what's been  
3     premarked as Peoples Gas' Exhibit 7A.

4                     What is Exhibit 7A, Mr. Schmoldt?

5           A     A return check.

6           Q     And how much is this check for?

7           A     \$1500.

8           Q     Okay. And what is the date of this check?

9           A     April 29, 2003.

10          Q     Is this the same date that appears on  
11     Exhibit 6D as a \$1500 payment?

12          A     Yes.

13          Q     And does the account reflect the fact that  
14     this check was returned for nonsufficient funds?

15          A     Yes.

16          Q     Where does it show that?

17          A     On the May 21, 2003 entries it says check  
18     NSF, nonsufficient funds, for \$1500.

19          Q     Okay. And in your experience in dealing  
20     with Peoples Gas' customers -- strike that.

21                     Now, Mr. Schmoldt, I'm going to show  
22     you what's been premarked as Exhibit -- Peoples Gas'



1 Exhibit 9. I apologize for the quality of the  
2 copies.

3 What is this document, Mr. Schmoldt?

4 A It's a copy of the transaction history of  
5 2101 West 54th Place.

6 Q Okay. What was -- strike that.

7 Does this transaction's history show  
8 where Ms. Varner's bills for that account would have  
9 been sent?

10 A Yes.

11 Q Okay. And based on this document, where  
12 were the bills sent to Ms. Varner?

13 A 7701 South Oglesby.

14 Q Okay. And how do you know that?

15 A On the bottom right of this document where  
16 it says 4B, you'll see her address, 7701 South  
17 Oglesby, Chicago, Illinois 60649.

18 Q Okay. Now, Mr. Schmoldt, for each of the  
19 bills portrayed in Exhibit 1, which is Peoples Gas'  
20 summary of Ms. Varner's account at the West 54th  
21 Place address, would Peoples Gas have sent a bill for  
22 each of those month's billings?

1           A     Yes.

2           Q     Okay.  And where would it have sent those  
3     bills to?

4           A     To 7701 South Oglesby.

5           Q     Okay.  Would a bill have been sent to that  
6     address on June 27th of 2000?

7           A     Yes.

8           MR. BEATTIE:  Okay.  I have no further  
9     questions, your Honor.

10          JUDGE BRODSKY:  Are you moving the admission of  
11     any of the items that have been marked and  
12     circulated?

13          MR. BEATTIE:  Your Honor, I move to enter into  
14     evidence all of the Peoples Gas exhibits that have  
15     been discussed -- including Exhibit 1, Exhibit 2,  
16     Exhibits 3A through B, Exhibits 6A through F,  
17     Exhibits 7A and B, Exhibit 9 and Exhibits 13 through  
18     16; and if your Honor would prefer, we could remark  
19     those exhibits so they're in sequence.

20          JUDGE BRODSKY:  I think we'll just leave them  
21     as marked so that we don't have to worry about  
22     multiple numbers floating around.

1           MR. BEATTIE: Fair enough.

2           JUDGE BRODSKY: Is there any objection to

3 the -- any of the documents that were listed?

4           MS. PAMELA VARNER: No, your Honor.

5           JUDGE BRODSKY: Then those documents are

6 admitted.

7                               (Whereupon, Peoples Gas Exhibits

8                               Nos. 1, 2, 3A-B, 6A-F, 7A-B, 9,

9                               13-16 were admitted into

10                              evidence.)

11          JUDGE BRODSKY: At this point, I'm going to --

12 we'll take a ten minute recess, and you can prepare

13 for whatever cross --

14          MS. PAMELA VARNER: Okay.

15          JUDGE BRODSKY: -- you wish to make.

16                              (Whereupon, a recess was taken.)

17          JUDGE BRODSKY: Ms. Varner, you can proceed

18 with any cross-examination.

19

20

21

22

1 CROSS-EXAMINATION

2 BY

3 MS. PAMELA VARNER:

4 Q Question for you, sir:

5 You provided a cancelled check,  
6 Exhibit A, as per your records. Can you tell the  
7 Court if this \$1500 was satisfied at any point?

8 A Well, this \$1500 was taken off the account,  
9 and then it was -- you paid it back on the account.  
10 So yes.

11 Q So it was satisfied, okay.

12 On your Exhibit 6D, could you please  
13 tell the Court why there was a credit of the \$246.36  
14 and another credit of 1545.87?

15 A Well, like, basically -- basically, what I  
16 stated before, when you spoke to Ms. Patricelli, this  
17 was an agreement the two of you had back on June 5th  
18 of 2003.

19 Q Okay. But can you -- according to her  
20 records, can you tell -- can you tell the Court why  
21 this amount was billed to my account?

22 A It wasn't billed -- the -- oh, okay. I

1 understand what you're saying.

2 The \$1500 was the transferred in  
3 charge from the Forest -- the South Forest, and the  
4 \$248.36 was the additional cost after the gas was --  
5 the fire that occurred at your premise.

6 Q So are you telling the Court that when I  
7 was billed from May 2000 to July 2000, the \$246.36  
8 was the actual meter reading dates that I was billed  
9 for at that time?

10 A You were billed -- basically, you were  
11 billed up until July 17th of 2000; and based on your  
12 conversation with Ms. Patricelli on the documents  
13 that you sent her, she agreed on giving you \$248.36  
14 credit.

15 Q Because I was overbilled at that time?

16 A Right.

17 Q Okay. On the -- on the other amount, the  
18 1545.87, could you tell the Court why that amount was  
19 credited to my account?

20 MR. BEATTIE: Where -- what are we looking at  
21 here?

22 MS. PAMELA VARNER: Your Exhibits C, D.

1           MR. BEATTIE:  Oh, okay.

2           THE WITNESS:  Well, that was a transferred in  
3 charge from the Forest interest that you weren't  
4 responsible for.

5                       So we took it off your account.

6  BY MS. PAMELA VARNER:

7           Q     Can you tell the Court why in the first  
8 place I had that amount billed to my account?

9           A     Because the bill was in your name,  
10 originally.

11          Q     The bill was in my name, originally.

12                    Do you know if, at that point in time,  
13 I did get in contact with Peoples Gas and take the  
14 account out of my name?

15          MR. BEATTIE:  I'm going to object as to the  
16 extent that it's -- that it attempts to dig into the  
17 South Forest address because that address isn't in  
18 the scope of this proceeding today.

19                    My direct examination was just limited  
20 to the numbers that were appearing on Exhibit 6A  
21 through 6F, but I did not direct Mr. Schmoldt on why  
22 or how those charges ever appeared on the -- on the

1 account for South Forest Avenue.

2 JUDGE BRODSKY: Overruled.

3 Please proceed.

4 MS. PAMELA VARNER: Your Honor, this time I was  
5 just trying to establish the character of Peoples Gas  
6 of why I do believe that they have been and made  
7 several errors on my account.

8 JUDGE BRODSKY: I already overruled the  
9 objection.

10 Please proceed.

11 BY MS. PAMELA VARNER:

12 Q Okay. So can you tell me -- okay. I'm  
13 going to come back to that one in a minute.

14 Now on my exhibit -- Mr. Schmoldt, my  
15 exhibit D.

16 A Hm-hmm.

17 Q Could you tell me on the second page,  
18 2 of 2, from dates 8/25/2000, the amounts that was  
19 transferred in to my Oglesby account --

20 A Hm-hmm.

21 Q Also, on the first page, starting date  
22 1/28/02, could you tell me if this amount was

1 transferred from the 54th Place account then paid  
2 on -- if you look to the further top, on July 26,  
3 2002, there's the payment of \$4,000 on the Oglesby  
4 account.

5                   Could you tell me if these amounts  
6 was (sic) transferred from the 54th Place and was  
7 satisfied with the \$4,000 payment?

8           A     They weren't transferred from 54th Place.

9           Q     So where were they transferred from?

10          A     I don't have the account -- the address  
11 where it was from, but it wasn't from 54th Place.

12          MR. BEATTIE: Could we go off the record for a  
13 second, your Honor?

14          JUDGE BRODSKY: Sure.

15                               (Whereupon, a discussion was had  
16                               off the record.)

17          JUDGE BRODSKY: Was there -- prior to going off  
18 the record, was there an outstanding objection?

19          MR. BEATTIE: Oh, I don't have any objections.

20          JUDGE BRODSKY: Okay.

21          MR. BEATTIE: I'm just trying to --

22          JUDGE BRODSKY: All right. So, Ms. Varner, you



1     may proceed.

2     BY MS. PAMELA VARNER:

3           Q     Okay.  On my Exhibit C, on the transfer  
4     history for 2101 West 54th Place, could you explain  
5     the zero -- the -- on 5/30/2000, the account had a  
6     zero balance?

7           A     The account didn't have a zero balance.

8           Q     Okay.  Could you explain to me why someone  
9     in Peoples Gas handwrote in there CR.

10                   What does the CR mean?

11          A     I don't know who wrote the CR in there.  I  
12     have no idea.

13          Q     That's what information -- that came from  
14     Peoples Gas?

15          A     I have no idea what the CR means because I  
16     don't know who did it.  I don't know.  Somebody from  
17     Peoples Gas, you.  I don't know who wrote it.  I have  
18     no idea what it means.

19          MS. PAMELA VARNER:  Your Honor, if I could  
20     present this to the Court on -- my Exhibit CE.  I  
21     don't know if your Honor has the information that was  
22     first provided through the hearing.

1                   This information was provided to me,  
2   and it has a -- on 5/30/2000, at 8:29 p.m., it says  
3   maintenance and it has a CR and it has a zero amount.  
4                   That was not done by me. It was done  
5   by the --  
6           MR. BEATTIE: I'm going to object to this --  
7           MS. PAMELA VARNER: -- Peoples Gas, and I'm  
8   questioning that zero amount with the CR.  
9           MR. BEATTIE: She -- your Honor, she's free to  
10   ask -- this is Mr. Schmoldt's cross-examination -- or  
11   Ms. Varner's cross-examination. She's testifying for  
12   the record, and I have an objection to that.  
13                   If she wants to cross-examine  
14   Mr. Schmoldt, that's fair; but --  
15           JUDGE BRODSKY: Well --  
16           MR. BEATTIE: -- her direct examination is  
17   over.  
18           JUDGE BRODSKY: I think that what Ms. Varner  
19   was doing was indicating something on Exhibit C.  
20   It's already in evidence. She then asked  
21   Mr. Schmoldt a question about it, and Mr. Schmoldt  
22   answered the question.

1 BY MS. PAMELA VARNER:

2 Q Okay. Could you tell me why does

3 billing -- if you look from bottom up, on 6/29/2000,

4 you have the batch-billing drive.

5 Could you explain to me what the

6 batch-billing drive is.

7 A It means there was -- a bill was mailed

8 out.

9 Q That there was a bill mailed out --

10 A Hm-hmm.

11 Q -- on 6/29/2000.

12 So between 6/29/2000, there was not

13 another bill mailed out until 7/5/02?

14 A Correct.

15 Q Could you tell me why there was no bill

16 mailed out from 6/29/2000 -- not until 7/5/2002?

17 A Well, the bill on 7/5/2002 -- I'm assuming,

18 based on your conversation with Ms. Patricelli --

19 because she rebilled the account, and she issued a

20 new bill.

21 There was a new bill based on that

22 meter reading we got for 6401, again.

1           Q     There was a meter reading --

2           A     So even though we read the meter on

3     July 17th of 2000, the account didn't bill again

4     until we did some -- another rebill on the account.

5           Q     How could -- with an actual meter reading?

6                     Is that how you rebill the account --

7     with an actual meter reading?

8           A     There was an actual meter reading on

9     July 17th of 2000.

10          Q     That's correct, which on Exhibit B, again,

11     it was not -- you have a bill date of 5/21/2003.

12                     Could you explain to me why, if the

13     read date was an actual read date, from 7/17/2000,

14     why was it rebilled?

15          A     Based on the documents that you gave Ms.

16     Patricelli, she rebilled the account.

17          Q     She rebilled the account based on the

18     documents that I gave her?

19          A     Right. Because you kept -- you were

20     disputing the bill, and she rebilled the account.

21     She only -- she rebilled it for a lesser -- a lesser

22     time period.

1                   If you can see, it says that the  
2   account was cancelled on July -- May 25th of 2003 --  
3   the documents that you gave us, Exhibit B.

4           Q     May --

5           A     May 21st.

6           Q     May 21st -- the account was not cancelled  
7   on May 21st.

8           MR. BEATTIE: I'll object. That's  
9   argumentative, your Honor.

10          THE WITNESS: I said the account was rebilled.

11          JUDGE BRODSKY: Overruled.

12                   Ask your question.

13   BY MS. PAMELA VARNER:

14          Q     Are you aware, Mr. Schmoldt, that I did not  
15   receive a bill -- or it was not rebilled?

16                   I do have the bill. It was submitted  
17   into evidence that I did not get a bill of the 8/29  
18   of 2002 for the 2101 West 54th Place.

19                   Could you tell me why.

20          A     No, I can't tell you why you didn't get a  
21   bill.

22          Q     So --

1           A     If the bill was mailed out, I couldn't tell  
2     you why you didn't receive it. It could have been  
3     lots of things. It could have gotten lost in the  
4     mail. It could have gotten delivered to the wrong  
5     address.

6                     We don't know. All we know is that  
7     the bill was mailed out.

8           Q     But I did receive the bill. I'm not  
9     disputing that I did not receive the bill dated  
10    8/29/02.

11                    I'm trying -- I'm trying to find out  
12    from you why there was another bill -- why there's  
13    was a bill sent for amounts that was due in 2000?  
14    Why the bill just came in 2002?

15                    Is there a time limit Peoples Gas  
16    should assure that these amounts are being paid in a  
17    timely matter?

18           A     Well, we sent you out a bill in June of  
19    2000.

20                    June 29th of 2000 you had a bill;  
21    right?

22           Q     No, I did not.

1                   Do you have that bill?

2           A     No, I do not.

3           Q     Can you show me anywhere in -- where it was  
4 sent?

5           A     It says right here, on June 29, 2000, there  
6 was a bill sent out for \$1381.16 -- on your  
7 Exhibit C.

8           Q     On my Exhibit C, the amount was put on; but  
9 I do not have a bill on that date.

10                   Are you aware -- and, your Honor, I  
11 did not make a copy of this. I really have to  
12 apologize to the Court.

13                   But I have a bill that I actually was  
14 looking through my records that I found that I  
15 actually have a bill date of 5/12/2003, for a zero  
16 amount from Peoples Gas on Account No. 6500031244759.

17           JUDGE BRODSKY: Show it to Counsel. Then show  
18 it to me.

19           MR. BEATTIE: And, your Honor, I -- I don't  
20 believe that I've ever seen this bill, your Honor.

21                   Did you produce this to me in the  
22 course of discovery?

1 MS. PAMELA VARNER: I just apologized to the  
2 Court. I was looking through my paper, and I -- I'm  
3 asking the judge to -- at this point, for me to  
4 submit.

5 That's the only copy I have at this  
6 time, and I'm asking to submit that into the Court.

7 MR. BEATTIE: For what purpose -- can I ask for  
8 what purpose?

9 MS. PAMELA VARNER: To show that on -- the  
10 purpose is to show that on May -- when I paid that  
11 amount, my -- it brought my account to zero. It  
12 brought my account to zero. However -- then I  
13 started receiving the other bills for the amount in  
14 question.

15 MR. BEATTIE: I --

16 MS. PAMELA VARNER: And this is an actual bill.

17 MR. BEATTIE: This is a bill from May of 2002.

18 I have no objection if it's for that  
19 purpose and that purpose only. However, if it's for  
20 any other purpose, I'd like to preserve the  
21 objection.

22 JUDGE BRODSKY: All right.



1                   This is -- Ms. Varner, you're giving  
2   me this bill at the moment. This is a bill for your  
3   current Oglesby account; correct?

4           MS. PAMELA VARNER: Correct.

5           JUDGE BRODSKY: Okay. And the bill was issued  
6   May 12, 2003, approximately -- or if that's what's  
7   listed as the bill date on this.

8                   All right. So are you moving for  
9   admission of this, or what?

10          MS. PAMELA VARNER: Yes, your Honor.

11          MR. BEATTIE: Well, your Honor, my objection  
12   was just to discussing the bill. This is something  
13   that was not produced to me during the course of  
14   discovery.

15                   I haven't had a chance to analyze the  
16   bill or determine where it fits into the overall  
17   picture. I'm willing to let Ms. Varner use it in her  
18   cross-examination of Mr. Schmoldt. But as far as  
19   admitting it into evidence, my objection will be --  
20   is raised at that point.

21          JUDGE BRODSKY: Well, I mean, if she's using it  
22   as a cross-exhibit -- I mean, at that point, it's --

1     it would seem it would be for the purpose that it was  
2     discussed.

3             MR. BEATTIE:   Well, I mean, I don't object to  
4     her using it as a demonstrative; but I object to it  
5     going into evidence simply because, you know, it's an  
6     unfair surprise to Peoples Gas.

7                     We've been -- we had a very  
8     long-drawn-out discovery process.  You know, I don't  
9     know when -- I don't know when Ms. Varner found this  
10    letter; but, you know, we're midway through -- we're  
11    almost finished with the hearing, and we're just  
12    now -- I'm just now being apprised of its existence.

13                    At the very worse, she could have  
14    given it to me at the beginning of the hearing; but I  
15    don't --

16             MS. PAMELA VARNER:  Your Honor, as I said, I  
17    apologize.  On the break that we just had, I saw it.  
18    I happened to go through my bags with a lot -- I did  
19    have it stuck between -- and I really was not aware  
20    of the bill.

21                    I remember that I did have the bill,  
22    but I could not find it, which I just did; and it is

1 still open -- my case.

2 If I had a zero balance, your Honor,  
3 how can Peoples Gas tell me later on and say, You  
4 have a \$1300 bill?

5 MR. BEATTIE: And she's welcome -- I welcome  
6 her to ask Mr. Schmoldt those very questions. She  
7 can testify to the bills that she's received.

8 But in terms of admitting the bill  
9 into evidence, my objection -- I have to reiterate  
10 because the prejudicial effect of that -- of that  
11 bill, I haven't even had a chance to assess; and the  
12 very -- and that very risk is prejudicial to Peoples  
13 Gas.

14 If it's somehow -- if this is a  
15 case-making bill, as Ms. Varner is pretending here,  
16 then it's especially prejudicial to my client because  
17 we haven't had a chance to prepare a defense to it.

18 JUDGE BRODSKY: All right. Let's return for a  
19 moment to Exhibit 3A, which is the history of this  
20 account number that you offered; and it appears that  
21 there is an item on the last of the lines, dated  
22 May 13, 2003.

1                   So if there are questions or  
2   discussions, direct them to Exhibit 3A.  
3   BY MS. PAMELA VARNER:  
4           Q     On May 13, 2003, does the account on your  
5   Exhibit 3A, does the account -- on the Oglesby  
6   Account 6500031244759, does it appear as a zero  
7   balance?  
8           A     On 5/13?  
9           Q     On 5/13/03.  
10          A     Yes, it did.  
11          Q     And could you tell me why, on 5/13, then  
12   you had a reapply (sic) credit -- where was this --  
13   where was this -- okay.  
14                   First of all, I'm sorry. I apologize.  
15   If it had a zero balance, was this -- where was this  
16   transferred to and why?  
17          A     The credit wasn't transferred anywhere.  
18          Q     Okay. So on May 13, 2003, I had a zero  
19   balance with Peoples Gas?  
20          A     No, you didn't.  
21          Q     So could you explain to me why it says here  
22   a zero balance, and on the -- on --

1 JUDGE BRODSKY: Which of the lines for May 13,  
2 2003, are you referring to?

3 MS. PAMELA VARNER: On the transfer -- the  
4 maintenance transfer -- the 4:43 p.m. maintenance AR  
5 transfer, zero balance -- zero amount.

6 THE WITNESS: No. It doesn't mean you have a  
7 zero balance.

8 BY MS. PAMELA VARNER:

9 Q What does the AR mean?

10 A If you -- if you go to the two lines before  
11 that, there was a \$3100 bill transferred back into  
12 the account.

13 Q So what is this bill that I have if it was  
14 transferred back into the account of 3,100?

15 Why would I have a total -- a credit  
16 on this bill for \$400, which is not even reflecting  
17 on your bill? I'm sorry --

18 A Because --

19 Q -- it is reapplied credit. I do have a  
20 reapplied credit for \$400.65, which that's what the  
21 amount that's stated on your bill.

22 A Hm-hmm.

1           Q     So if I didn't have a zero balance with a  
2     credit -- I mean, it is on your information.

3           A     Right. But these transactions occurred  
4     after the bill was mailed out.

5           Q     After the bill was mailed out?

6           A     Hm-hmm. Because if you see --

7           Q     So, then again, if the bill was mailed out  
8     in 2000, wasn't it not paid -- and it was transferred  
9     into my Oglesby account, was it not paid then leaving  
10    me a zero balance on my Oglesby account?

11          A     No.

12          Q     Why -- why would it not be paid?

13          A     Well, the reason it wasn't paid was because  
14    you had a NSF check.

15          Q     But the NSF -- the check was also taken  
16    care of.

17          A     Right. But you got credit for \$3,000. You  
18    didn't pay \$3,000. You only paid 1500. So we have  
19    to take 1500 back.

20          Q     Which was, in turn, put into another  
21    account -- the 1500?

22          A     No. You paid the 1500 -- you paid 3,000 at

1 Oglesby; correct?

2 You paid a check with 1500 and cash  
3 with 1500.

4 Q That's correct. I satisfied the check for  
5 \$1500.

6 A Right. But you got credited initially for  
7 \$3,000.

8 Q That is correct.

9 A Okay. So since \$1500 was no good, we had  
10 to take \$1500 back.

11 Q Okay. So that would be leaving me a  
12 balance of \$1500. If the -- if it was 3,000 --  
13 1500 -- \$3,000 due, \$1500 paid, that will be \$1500.

14 Now according to the letter from --

15 MR. BEATTIE: Is that a question?

16 If it is, can the witness answer  
17 because if it's not, I have an objection.

18 BY MS. PAMELA VARNER:

19 Q There were \$3,000 -- if -- you're saying  
20 that you took the \$1500 back.

21 Were they an outstanding balance of  
22 \$3,000 -- or anywhere in and about \$3,000?

1           A     Hm-hmm.

2           Q     So that means -- what it means that there  
3     was \$1500 due on the account?

4           A     No.  There's actually more than \$1500 due  
5     on the account.

6           Q     Could you explain to me how there's more  
7     than \$1500 due on the account.

8           A     Hm-hmm.

9           MR. BEATTIE:  As of what date?

10          JUDGE BRODSKY:  Was that a yes, by the way.

11          THE WITNESS:  Yes.

12          JUDGE BRODSKY:  Okay.

13          MR. BEATTIE:  Please use yes or no for the  
14     court reporter.

15          THE WITNESS:  I'm sorry.  It was yes.

16     BY MS. PAMELA VARNER:

17          Q     Okay.

18          A     Now, if you look -- if you look at the  
19     account, you did have a balance as of April 25th --  
20     or, actually, April 24th you had a \$5,582 balance.

21          Q     I'm sorry?

22          A     April 24th of 2003.



1 Q April 24th of 2003?

2 A On Exhibit 3A.

3 Q Okay.

4 A It says right there -- it says your balance  
5 is \$5,582. That was your balance.

6 Q This, also -- this is an adjustment.  
7 Wasn't this --

8 A Nothing was adjusted yet. It's just --  
9 that was your balance \$5,582.

10 Q Okay.

11 A Okay. Then we transferred part of the bill  
12 out leaving you with a \$2400 balance.

13 Q But if you look at 7/28/03, there was a  
14 payment of over \$2,000; wasn't it?

15 A No. We're not going through that. We're  
16 going -- if you want me to explain to you, I'm  
17 explaining it you --

18 Q Okay.

19 A -- starting from back -- so try not to jump  
20 ahead here.

21 Okay. So up to that point, you had a  
22 \$2400 balance; and then you paid the \$1500 and left

1     you a \$900 balance, and then we got another \$1500 and  
2     left you a credit; and then -- then there was the gas  
3     bill, and your bill -- your credit went down to \$400.  
4     That was the bill that you had right there.

5             Q     That was the credit of \$400?

6             A     Right. But you had a -- that was your  
7     credit.

8                     Then the \$3100 was transferred back  
9     into the account. After it was transferred back out,  
10    it was transferred back in.

11            Q     So why does the --

12            A     So then your balance --

13            Q     Excuse me.

14            MR. BEATTIE: Well, please, let the witness  
15    finish his answer.

16            THE WITNESS: Okay. So then your balance went  
17    back up to \$2781.35. It was actually 3182 because of  
18    the \$400 credit that you still had there. So your  
19    balance was \$2,781.35.

20                     And then at that point, you -- we put  
21    the \$1500 back on the account. So that brought up  
22    the balance up to \$4291.35, which was May 25th of

1       2003.

2               JUDGE BRODSKY:   That was because of the NSF

3       check?

4               THE WITNESS:   Correct.

5               JUDGE BRODSKY:   And all these entries that are

6       labeled adjustment, it's a RET check entry, probably

7       a return check entry?

8               THE WITNESS:   Right.

9               JUDGE BRODSKY:   And that's -- those are

10       desegregated amounts, I assume, that would add to

11       1500 plus the \$10 return fee?

12               THE WITNESS:   Correct.

13               JUDGE BRODSKY:   All right.   Similarly, when

14       there are transfers, and there are many items listed

15       for the same date and time, those would, again, be

16       desegregated amounts that would reflect individual

17       charges that were --

18               THE WITNESS:   Right.

19               JUDGE BRODSKY:   -- transferred?

20               THE WITNESS:   Right.

21               JUDGE BRODSKY:   Okay.

22               THE WITNESS:   Okay.   So on May 21st of 2003,

1 after we put the money back on the account, the  
2 balance went up to \$4291.35; and then when you got  
3 the -- then when Ms. Patricelli -- you spoke to  
4 Ms. Patricelli and she sent you the letter, she  
5 basically gave you a \$1794.23 credit.

6 So that was taken off the account. So  
7 now the balance is down to \$2479.37.

8 JUDGE BRODSKY: All right. Stop there for a  
9 second.

10 That was the -- reflecting the  
11 June 5th letter?

12 THE WITNESS: Yes.

13 JUDGE BRODSKY: Okay.

14 All right. Go ahead, Ms. Varner.

15 BY MS. PAMELA VARNER:

16 Q Okay. Your Exhibit 3A, the Account No.  
17 6500031544759, and my Exhibit D, Account No.  
18 6500001264011, could you tell me -- I'm not sure  
19 who -- if you or your attorney made a statement  
20 saying you can only have one account at a time.

21 Could you tell me, if you can only  
22 have one account at a time, why there is -- and, your

1 Honor, on the 3A, I'm looking at, then again, all the  
2 dates 5/13/2003 -- all the dates on 5/13/2003. And  
3 if you look on the top of my Exhibit D, there's some  
4 more dates on this account on the same Oglesby  
5 address -- 5/13/03.

6 There is so many similar dates on two  
7 different accounts.

8 A We never said you can't have more than one  
9 account.

10 Q Yes, you did. Yes, he did.

11 He said you can only have one account  
12 at a time.

13 MR. BEATTIE: Well, that's argumentative. You  
14 have to ask the witness the questions.

15 BY MS. PAMELA VARNER:

16 Q So can you or can you not have two accounts  
17 at one time?

18 A You can have several accounts at a time.

19 Q So my question to you is, since I have --  
20 you can have more than one account at one time?

21 It's a possibility that there was  
22 another account number out there that I don't even

1 know about that these amounts were transferred into  
2 that account and later on rebilled into my Oglesby  
3 address?

4 A The only accounts that we have on record  
5 are the ones that are listed on the letter that was  
6 sent to you by Ms. Patricelli.

7 Q But it is a possibility later on -- I'm  
8 getting rebilled later on -- at a later date.

9 So it can be a possibility that there  
10 is more than one account because I'm really confused  
11 here. Your attorney says you can only have one  
12 account. You said that there can be more than one  
13 account.

14 Is it possible that there is some  
15 information in another account out there that this  
16 amount could be transferred to, got paid and got  
17 transferred back into my other account?

18 MR. BEATTIE: I'm going to object to the basis  
19 that that contains a number of -- of hearsay elements  
20 as to what -- what, you know, I may have said or  
21 Mr. Schmoldt may have said. The witness is sitting  
22 right here. She can just ask him the question.

1 JUDGE BRODSKY: Ms. Varner, rephrase the  
2 question and keep it specific.

3 BY MS. PAMELA VARNER:

4 Q On my 7701 South Oglesby accounts, your  
5 Exhibit 3A and my Exhibit D, there is two separate  
6 account numbers on the same dates of transfer.

7 Is it possible -- or can one address  
8 have two different accounts or several different  
9 account numbers?

10 A No. Not one address, no. Not an active  
11 account.

12 You can have several different account  
13 numbers with a final account, yes, because that's  
14 what -- to differentiate people from people.

15 For example, your first account at  
16 Oglesby, this 4011, that gas service was actually  
17 shut off; and that was your final account. You had a  
18 final balance of \$2849.25 -- or actually -- I'm  
19 sorry. That amount was transferred into this account  
20 from your active account in Oglesby. This was the  
21 final account. So Ms. Patricelli transferred from  
22 the active account to the final account. She

1 transferred the \$2800 bill into your previous final  
2 account. Then that bill was then transferred back to  
3 the active account.

4 Q Could you explain that to me again, please.

5 A Okay. Your active account -- your current  
6 active account is the 4759, the last four numbers  
7 there.

8 Q Okay.

9 A That's your current account number. Your  
10 previous final account at Oglesby was the 4011  
11 account. That was your final account, previously.

12 So when you had your gas service shut  
13 off and then you paid the bill and got the gas  
14 service turned back on, we gave you a new Account No.  
15 4759 -- that's your new account number.

16 Q But if this was the case -- if this all  
17 should have ended in May and started in May, am I  
18 correct, of 2003, if one account closed at that date,  
19 it reopened the same month on a previous month with a  
20 different account number; but on your Exhibit 3A --

21 MR. BEATTIE: Wait a minute. If that's a  
22 question, he's got to have a chance to answer it.



1     Otherwise, it's going to be a compound question; and  
2     I'll object to that.

3     BY MS. PAMELA VARNER:

4             Q     Should there be -- if one account is closed  
5     and another one reopened, does the date stop?

6             A     What date are you talking about? I don't  
7     know what you're saying, "Does the date stop?"

8                     What does that mean?

9             Q     On 5/13/03, example, the amounts was  
10    transferred from one account into the other  
11    account -- into the new account, which would be from  
12    the Account 6500001264011.

13                    You said that this amount -- this  
14    account here -- because of my service has been  
15    disconnected, this account was closed.

16             A     That's your final account.

17             Q     Is that -- this is my final account?

18             A     Yeah.

19             Q     So if this is my final account in May  
20    of '03, why do I have --

21             A     It wasn't your final account in May of '03.

22             MS. PAMELA VARNER: Your Honor -- I mean, I

1 think this witness is --

2 MR. BEATTIE: You're --

3 MS. PAMELA VARNER: -- just going back --

4 MR. BEATTIE: This is --

5 MS. PAMELA VARNER: I mean --

6 MR. BEATTIE: This is -- I object to --

7 MS. PAMELA VARNER: One minute he's saying --

8 MR. BEATTIE: -- this right here.

9 THE REPORTER: I can't type when both are

10 talking.

11 JUDGE BRODSKY: Yeah. Stop.

12 All right. First of all, one at a

13 time. Second, Ms. Varner, ask whatever questions you

14 want to ask. If you need a few minutes to assemble

15 your thoughts, then I'll give you a few minutes to do

16 that.

17 MS. PAMELA VARNER: Can I have a minute, your

18 Honor to --

19 JUDGE BRODSKY: Yes.

20 MS. PAMELA VARNER: -- just get some water?

21 MR. BEATTIE: May I offer to allow Ms. Varner

22 to approach the witness. If that would be helpful to

1 her, she can do that, too. I think Mr. Schmoldt is  
2 with that.

3 JUDGE BRODSKY: That's fine.

4 Let's take a ten-minute recess.

5 (Whereupon, a recess was taken.)

6 JUDGE BRODSKY: Ms. Varner, you may go ahead  
7 and proceed and just ask the questions in a way that  
8 gives him a chance to respond to each aspect. So  
9 don't pile a bunch of aspects together.

10 Okay?

11 MS. PAMELA VARNER: Okay. Thank you.

12 JUDGE BRODSKY: All right.

13 BY MS. PAMELA VARNER:

14 Q On Accounts No. 6500001264011, for 7701  
15 South Oglesby, and Account 6500031244759, also for  
16 7701 South Oglesby.

17 I'm asking why there is activities on  
18 both accounts at the same time?

19 A Well, what happens is, when a transaction  
20 is done, and it's done on May 21st, on one account,  
21 it's transferred to another account the same date.  
22 It doesn't, like, go May 21st then May 22nd. It's

1 all done on the same date. So that's why it's the  
2 same date on here.

3 If it's done on the 25th of April, it  
4 should be on the 25th of April on the other account.

5 Q So let me try to get this a little clearer  
6 from you. On the -- I'm only going to say the four  
7 last numbers.

8 On the Oglesby, the Account 4011.

9 A Hm-hmm.

10 Q There is dates from -- all right.

11 If you look at page 2 -- 2 of 2.

12 A Hm-hmm.

13 Q From 3/16/2000 through May 13, '03.

14 A Hm-hmm -- yes.

15 Q Okay. And I'm going to get to my point  
16 right now.

17 Also, on the -- your Exhibit 3B,  
18 second page, there's activity from 3/21/02, all the  
19 way to 9/4/03.

20 I guess my -- my question to you --  
21 and I just want you to take a look. If you look on  
22 the same -- there are same dates, but this is not

1 closing one account.

2 Is it closing one account, and open  
3 another (sic) account? Is --

4 A Okay.

5 Q Or let me try to rephrase it.

6 Why are there same dates coincided  
7 into both accounts back and forth?

8 A If you look at the 4011 -- that's your  
9 Exhibit D.

10 Q Okay.

11 A Okay. That if you go on May 22nd of 2002.

12 Q May 22nd --

13 A 2002.

14 Q Okay.

15 A Okay. If you, you know, scroll across, it  
16 says order final bill.

17 So your account was cut off May 22nd  
18 of 2002. 4011 was cancelled as of that date.

19 Q Okay.

20 A Okay. Then if you go to Exhibit 3B, on  
21 11/21/2002, you got your new account number. Your  
22 gas service was turned back on.

1 Q Okay.

2 A Okay. Then if you go up a little bit  
3 further on Exhibit B -- well, let me -- let me go  
4 back here -- one second here.

5 On your Exhibit D -- let me go back to  
6 Exhibit D.

7 On July 26th of 2002, you paid \$4,000  
8 on your Exhibit D; do you see that on Exhibit D.

9 Q Yes.

10 A Okay. And you had a -- you had a \$383.86  
11 balance. That was your balance left over after you  
12 paid the \$4,000.

13 Q Okay.

14 A Okay. Then on September 23, 2002, you paid  
15 \$500.

16 Q Okay.

17 A Okay. And then on October 2nd and October  
18 and October -- and October 9th of 2002, you made two  
19 more payments of \$108 -- two payments of \$108.

20 Q Okay.

21 A So you had a \$326.51 credit at that time  
22 because you overpaid on your -- you paid extra on

1     your account.

2                     Then on November 21st, we turned your

3     gas service back on.

4             Q     Okay.

5             A     Okay. And then also on -- also on

6     November 21st, we transferred the credit that you had

7     from the 4011 and transferred that to your current

8     account, which is the 4759 account on the same

9     date -- 11/21 of 2002.

10            Q     Okay.

11            A     Okay. So that's why the dates are the

12     same. We're transferring the bill on 11/21 and

13     showing up on the current account 11/21 --

14            Q     Okay.

15            A     -- because it's a transaction done on that

16     day.

17            Q     So --

18            A     So when Ms. Patricelli -- Ms. Patricelli,

19     she transferred the bill out on April 25th of 2003;

20     and that's why it's showing up on Account No. 4011.

21                         She transferred the bill from 4759.

22     The \$2800 -- the \$3100, she transferred that to 4011.

1           Q     Why?

2           MR. BEATTIE:   Calls for speculation.

3   Ms. Patricelli is not a witness here unless

4   Mr. Schmoldt can refer to some document, I object to

5   the extent that it calls for speculation of Ms.

6   Patricelli's mind-set.

7           JUDGE BRODSKY:   Overruled.

8                   I mean, he's the account expert for

9   the company.

10          MR. BEATTIE:   Right.   But the question was

11   why -- okay.

12          THE WITNESS:   I don't know why she transferred

13   the bill into the final account.

14          MS. PAMELA VARNER:   Your Honor, it is my belief

15   that --

16          MR. BEATTIE:   Your Honor, I've got to object to

17   this.

18                   She's testified -- she's already had

19   her direct testimony.

20          MS. PAMELA VARNER:   I am through with the

21   witness.

22          MR. BEATTIE:   All right.   I have no redirect,



1     your Honor, unless you have something.

2             JUDGE BRODSKY:  Well, I have a couple  
3     questions; but I -- I mean, I'll -- are you  
4     attempting to make, like, a closing type of  
5     statement?

6             MS. PAMELA VARNER:  Yes.

7             JUDGE BRODSKY:  Okay.  Can you hold that --

8             MS. PAMELA VARNER:  Yes.

9             JUDGE BRODSKY:  -- for a few minutes?

10            MS. PAMELA VARNER:  Yes.

11            JUDGE BRODSKY:  Okay.  So we have -- so on --  
12     what this is showing on 4011, is that on April 25,  
13     2003, an amount was transferred in by Ms. Patricelli,  
14     it appears --

15            MR. BRIAN SCHMOLDT:  Correct.

16            JUDGE BRODSKY:  -- of \$2,849.25?

17            MR. BRIAN SCHMOLDT:  Correct.

18            JUDGE BRODSKY:  Okay.  And that amount -- so,  
19     in other words, that took the balance from zero  
20     because the account was closed; and then there was  
21     now suddenly this balance closed account?

22            MR. BRIAN SCHMOLDT:  Correct.

1 JUDGE BRODSKY: Okay. And in May, it appears  
2 what -- two and a half, three weeks later, they  
3 transferred it out, the same amount, to -- they  
4 transferred that out and --

5 MR. BRIAN SCHMOLDT: Put it back on 4759.

6 JUDGE BRODSKY: -- it appears they put it in  
7 4759?

8 MR. BRIAN SCHMOLDT: Right. That is correct.  
9 Yes.

10 JUDGE BRODSKY: Okay. So that was moving it  
11 from the closed account to the open account for the  
12 same address?

13 MR. BRIAN SCHMOLDT: Correct.

14 JUDGE BRODSKY: Okay. And then that's the end  
15 of the activity on 4011, which is closed?

16 MR. BRIAN SCHMOLDT: Correct.

17 JUDGE BRODSKY: And so all of the activity  
18 on --

19 MR. BRIAN SCHMOLDT: 4759.

20 JUDGE BRODSKY: Well, account -- yeah. On  
21 Account 4759, the entries that are dated April 25th  
22 and May 13th are essentially equal but opposite of

1 the entries of 4011?

2 MR. BRIAN SCHMOLDT: Yes.

3 JUDGE BRODSKY: And then the entries following

4 that would be activity that was on the account just

5 from normal usage?

6 MR. BRIAN SCHMOLDT: Correct.

7 JUDGE BRODSKY: Okay. Let's switch over to

8 Exhibit 2. This is the West 54th Place account.

9 And is it correct to say that this

10 account is open?

11 MR. BRIAN SCHMOLDT: No, it's not open.

12 JUDGE BRODSKY: At what point was it closed?

13 MR. BRIAN SCHMOLDT: The account was finalized

14 July 17th.

15 JUDGE BRODSKY: Of what year?

16 MR. BRIAN SCHMOLDT: 2000.

17 JUDGE BRODSKY: Okay. How do we know that?

18 MR. BRIAN SCHMOLDT: On July 17th, it was

19 basically saying -- it doesn't say final bill, but it

20 says order basic info; and we were finalizing the

21 account at that point.

22 JUDGE BRODSKY: Okay. So let's follow -- let's

1 follow the entries that are labeled maintenance,  
2 starting there.

3 So order basic info was some sort of a  
4 finalization activity?

5 MR. BRIAN SCHMOLDT: Right.

6 JUDGE BRODSKY: Okay. And then a few days  
7 later, post route changes it.

8 What is that?

9 MR. BRIAN SCHMOLDT: Basically, like our meter  
10 reading department, it's -- we're changing from, you  
11 know, like, manually reading the meter to electronic  
12 readings. They have to put the readings in a  
13 reroute.

14 So they changed the route so it can be  
15 read electronically. That was the --

16 JUDGE BRODSKY: Okay. So that's a switch in  
17 methods, but not really related to --

18 MR. BRIAN SCHMOLDT: No. It's not really  
19 related to that.

20 JUDGE BRODSKY: -- billing amounts?

21 MR. BRIAN SCHMOLDT: Yeah.

22 JUDGE BRODSKY: Okay. And then in -- we move

1 forward to November 16th, and there were a couple of  
2 items there, registered details and two more entries  
3 of order basic info?

4 MR. BRIAN SCHMOLDT: Right. And then it says  
5 order final bill.

6 JUDGE BRODSKY: And then order final bill.

7 So on November 16, 2000, the account  
8 is closed?

9 MR. BRIAN SCHMOLDT: Right. But we only billed  
10 her up until January 17th. It just didn't close  
11 for -- for some reason for a couple months. We don't  
12 know why.

13 JUDGE BRODSKY: July 17th?

14 MR. BRIAN SCHMOLDT: Yes.

15 JUDGE BRODSKY: Okay.

16 All right. Well, we move from  
17 November 16th to July 5th, and there's something that  
18 says cancel rebill.

19 MR. BRIAN SCHMOLDT: Hm-hmm.

20 JUDGE BRODSKY: What does that mean?

21 MR. BRIAN SCHMOLDT: They rebilled the account  
22 because we -- you know, Ms. Varner disputed the bill

1 by saying, Hey, I had the fire in May. We were  
2 billing her up until July when she had the fire in  
3 April. They're rebilling the account to say, Okay.  
4 We need to rebill it.

5 On May -- on July 17th, that was an  
6 estimated reading. We got the actual reading. So we  
7 rebilled it to the actual reading. I believe that's  
8 what really happened.

9 JUDGE BRODSKY: Okay. So it was an  
10 implementation of the actual reading?

11 MR. BRIAN SCHMOLDT: Right.

12 JUDGE BRODSKY: Okay. So as a result of the  
13 actual reading --

14 MR. BRIAN SCHMOLDT: We took \$103.19 off the  
15 account at that time.

16 JUDGE BRODSKY: Okay. So here's my question  
17 then:

18 When you take the amount off, you  
19 credited the 103?

20 MR. BRIAN SCHMOLDT: Correct.

21 JUDGE BRODSKY: And was it because of the  
22 rebilling that we now have the \$1,278.42 back on the

1       account?

2               MR. BRIAN SCHMOLDT:   Yes.

3               JUDGE BRODSKY:   Okay.   And then we went through

4       this again with another round of entries where there

5       were few bills that were posted and a few rounds of

6       entries that are labeled as adjustment and AR

7       transfers.

8               MR. BRIAN SCHMOLDT:   Correct.

9               JUDGE BRODSKY:   Now, is adjustment and AR

10      transfers, is that the transfer out?

11                       In other words, a credit to this

12      account?

13               MR. BRIAN SCHMOLDT:   Yeah.   They're basically

14      transferring this bill to an active account because

15      she has an active account.

16               JUDGE BRODSKY:   Okay.   Now if we look on

17      Exhibit 3A, which is Account 4759 --

18               MR. BRIAN SCHMOLDT:   Yes.

19               JUDGE BRODSKY:   -- Oglesby.

20                       If we compare the adjustments out of

21      West 54th and the transfers into --

22               MR. BRIAN SCHMOLDT:   Oglesby.

1 JUDGE BRODSKY: -- Oglesby, those amounts would  
2 match?

3 MR. BRIAN SCHMOLDT: Yes.

4 JUDGE BRODSKY: Okay. And then -- that ends up  
5 zeroing the 54th Place account, and that's the end of  
6 the activity?

7 MR. BRIAN SCHMOLDT: Correct.

8 JUDGE BRODSKY: Was there any instance, either  
9 on the 4759 Oglesby account or the 4011 Oglesby  
10 account, that would relate to any other transfers  
11 from 54th Place?

12 MR. BRIAN SCHMOLDT: There's nothing else but  
13 54th Place that I can see.

14 JUDGE BRODSKY: Okay. So would it be a correct  
15 statement that based on Exhibit 3A, 4759 is the end  
16 of the account number that this would account for --  
17 in conjunction with the other accounts that have been  
18 closed, the 4011, the 4964 from 54th Place and the  
19 account from Forest, would the Oglesby accounts, the  
20 two of them, contain all of the entries or the  
21 finalization of all the accounts that have been  
22 discussed for the three addresses that were mentioned



1 in this?

2 MR. BRIAN SCHMOLDT: Yes.

3 JUDGE BRODSKY: All right. Those are my  
4 questions.

5 Do you have any -- do you have any  
6 redirect?

7 MR. BEATTIE: I have two questions that I  
8 forgot to address.

9 REDIRECT EXAMINATION

10 BY

11 MR. BEATTIE:

12 Q Mr. Schmoldt, you examined these two  
13 accounts -- the Oglesby address and the West 54th  
14 Place address?

15 A Yes.

16 Q Is the West 54th Place address a  
17 residential account?

18 A Yes.

19 Q Is the 7701 South Oglesby account a  
20 residential account?

21 A Yes.

22 MR. BEATTIE: I have nothing further, your

1 Honor.

2 JUDGE BRODSKY: Okay. Is there any recross?

3 MS. PAMELA VARNER: No, your Honor.

4 JUDGE BRODSKY: Okay. At this point then, I'll  
5 allow closing statements. You could begin to make  
6 one.

7 So in any case, you may proceed.

8 CLOSING ARGUMENT

9 BY

10 MS. PAMELA VARNER:

11 My closing statement on the account is that  
12 there has been a lot of transfers in and out of my  
13 other addresses into my Oglesby address.

14 There was never any mention of the  
15 account -- the amounts that Peoples Gas claims --  
16 allegation that I owed for 54th Place before it was  
17 transferred into my Oglesby address. Before, I was  
18 back and forth with it; and before I could even -- we  
19 could even solve this problem.

20 What Peoples Gas did, is they sent me  
21 a bill today. Tomorrow they sent a disconnection  
22 notice, and my service was shut off because of this

1 amount. So this amount is already paid, and Peoples  
2 Gas cut my service off because it's not -- only  
3 because of the \$1500. The \$1500 that was actually  
4 due on my Oglesby account was actually paid. The  
5 remainder of that account, it was allegedly for the  
6 54th Place.

7                   So they batched it all together and  
8 cut my service off because they refused for me to pay  
9 only the Oglesby address. So my service -- I had my  
10 grandbaby at that time. So my service would not be  
11 disconnected. So they lumped it all together and  
12 shut my service off. So it's not only for the  
13 nonpayment, they just did not give a chance for --  
14 for this amount to be taken care of.

15                   Two years later somebody came up and  
16 said, Okay. This is what Ms. Varner owed two years  
17 later, and this is from evidence that was submitted  
18 by Counsel; and they -- they really did not, and I  
19 really feel that Peoples Gas did not even give a  
20 chance for this amount or anything to be rectified.

21                   And then, again, I really believe that  
22 between all the transfers in and the transfers out

1     and taking one amount from one account, put it into  
2     another one, take it out of that account, put it into  
3     somewhere else. Maybe this account for 54th Place is  
4     closed. Maybe it's not.

5                     And somewhere along the line, this  
6     amount is just in here somewhere; and I actually do  
7     believe that Peoples Gas already got their money  
8     twice for this one property.

9                     And that's all I have to say right  
10    now, your Honor.

11                    CLOSING ARGUMENT

12                    BY

13                    MR. BEATTIE:

14                    Well, your Honor, this is a very simple case,  
15    really. I know there's a lot of records and whatnot.

16                    But Ms. Varner owns, you know, at  
17    least four different properties. She was a landlord  
18    on this West 54th Place account, and she was  
19    responsible for the gas bills pursuant to her lease  
20    agreement with the tenants.

21                    Between the period of October '99 and  
22    January 17th of 2000, Ms. Varner made a grand total

1 of two payments on her account while it racked up a  
2 bill -- a final bill of \$1334.54. This was a  
3 residential account. It was at one time transferred  
4 to her 7701 South Oglesby address, which is her home;  
5 and as the check for nonsufficient funds shows, also,  
6 her business address, for what appears to be a  
7 construction company.

8 Peoples Gas has thoroughly discussed  
9 these records and has shown that at no time have any  
10 other transfers from 54th for this time period have  
11 been transferred into any other account.

12 I'd also just like to quickly point  
13 out that in her closing, Ms. Varner brought up a  
14 number of issues that were not discussed at the  
15 hearing or during the presentation of evidence. Such  
16 things as the cutoff of her gas service, who resides  
17 in her residence -- residences and other  
18 circumstantial evidence about her gas service. And  
19 those issues are not the subject of this dispute, to  
20 begin with.

21 So basically, the case boils down to  
22 an amount that was racked up on West 54th Place that

1     was never paid, that was transferred from one  
2     residential service to another -- properly.

3                     And that's pretty much the end of the  
4     case.   Peoples Gas rests.

5             JUDGE BRODSKY:   Any final comments, Ms. Varner?

6             MS. PAMELA VARNER:   No, your Honor.

7             JUDGE BRODSKY:   Okay.   Well, then this marks  
8     the end of the evidentiary hearing.

9                     What will happen is, I will examine  
10    all of the evidence that's been presented by both  
11    sides; and I will circulate a document.   It's called  
12    a proposed order, which will contain the findings  
13    that I make.

14                    There will be an opportunity to  
15    respond to it, and the details for doing that will be  
16    provided with the proposed order; and then following  
17    that, the Commission will enter some sort of final  
18    order.

19                    So with that, we will mark the record  
20    heard and taken; and this matter is adjourned for  
21    today.

                  HEARD AND TAKEN